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Job Upturn Stalls in the United States

But Statistics for March Are a Boon to Clinton's Economy Stimulus Plan

By Lawrence Malkin
International Herald Tribune

NEW YORK — The U.S. economy failed to create any new jobs in March, and unemployment remained stuck at 7 percent, the government reported Friday. This confirmed that the pace of economic growth was softening, although economists were uncertain by how much.

The March figures were heavily distorted by the effects of severe late winter storms that helped cut 22,000 jobs from the work force last month after February's still unexplained addition of 367,000, which was confirmed by the Labor Department in Friday's announcement. Over the first three months of this year, the

Philip Morris cuts Marlboro prices and trims the stock market. Pages 9 and 10.

economy has created a total of around 450,000 new jobs, about half of them temporary or part-time, which would imply a growth rate of 2.5 or 3 percent a year. But analysts said they would have to wait for the April figures to get a better fix on whether this rate would hold into the spring.

The momentum of growth in the economy has been decidedly slipping during the first quarter and there is a yellow flag of concern, said Allen Sinai of the Boston Company, adding that forthcoming figures on auto and Easter retail sales, industrial production and employment would indicate more clearly whether increased jobs and consumer confidence would resume driving the economy forward.

But Friday's bad news came as a boon to the Clinton administration's \$16 billion economic stimulus package, now caught in a partisan thicket of parliamentary maneuvering. Senate Majority Leader George Mitchell urged speedy passage of the package to help end "the current path of economic and social job creation." Treasury Secretary Lloyd Bentsen and Labor Secretary Robert B. Reich supported him in separate appeals.

President Bill Clinton approached reporters before the start of an environmental meeting in Portland, Oregon, to renew his criticism of Senate Republicans for blocking a vote on the jobs bill. Republicans are "keeping hundreds of thousands more Americans out of work," he said, "just to perpetuate political gridlock."

The figures for March left bond and currency markets confused, especially since they included a small upward wage blip that prompted nervous traders to forget about the signs of sluggishness and switch their focus to next week's inflation figures.

The bond market surged briefly, then was forced to offer slightly higher interest rates, with the benchmark 30-year bond yielding 7 percent by midmorning, the highest since mid-February's post-inauguration euphoria.

The dollar at first spilled down to another historic low against the yen but rallied above 114 yen and 1.61 Deutsche marks when traders reassessed the statistics, noting especially that the strong February job figure had held and January was revised upward by 44,000 to 113,000 new jobs.

Asked what she thought the Federal Reserve Board would do now, Astrid Adolphson of MCM Moneywatch replied: "Nothing. What do you do about a report distorted by the weather? The Fed is afraid it will strengthen the argument of the Clinton administration for its stimulus program. The hand of the inflation hawks will also be strengthened by the increase in hourly wages."

Economists were less concerned than markets by a rise of five cents in the average earnings, to \$10.80 an hour. This is still only part of an annual gain of 2.4 percent, which lags

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Luciano Melloni/Rosca

Damply, Italians Take to the Streets and Strike for More Jobs

As a government and business corruption scandal widens, thousands of people in Rome demonstrated Friday in the rain to protest unemployment, which is at 9.5 percent. Postal workers and some other public employees struck all day while

trains, buses, ferries and planes stopped for four hours. The scandals are creating payment bottlenecks and a cash crunch. The effects of the scandals come as the country is trying to cope with a currency that hit new lows Friday. Pages 9 and 11.

Will Germans Patrol Bosnia's Skies? Well, Sort Of

By Marc Fisher
Washington Post Service

BERLIN — When the Security Council voted to enforce a flight-ban zone over Bosnia-Herzegovina, Germany was forced into a long-delayed decision: Will German airmen participate in a combat mission for the first time since World War II?

On Friday, Chancellor Helmut Kohl's cabinet, meeting in emergency session, answered the question, sort of. Yes, but no, let someone else decide.

The Bonn government announced its support for UN efforts in the former Yugoslavia and Mr. Kohl's party endorsed German participation in the NATO-led flight-ban operation. But the junior partner in Mr. Kohl's governing

coalition, the Free Democrats, broke with the chancellor and immediately sued the government, asking the country's highest court to settle the issue.

Former Chancellor Helmut Schmidt called the odd maneuver an "utter farce." The president of the Constitutional Court, Roman Herzog, wrote before the decision that such a scenario seemed "pathological."

A chuckling President Bill Clinton, asked about the solution when it was proposed last week, called it "remarkably deft." Few German commentators have been that polite; newspa-

pers of all political stripes describe the deal with words such as "April Fool's joke" and "embarrassment."

The crux of the confusion is a long-debated constitutional question: Germany's Basic Law specifically permits it to join international security alliances, but the law was nonetheless long interpreted as prohibiting military action outside NATO territory. Mr. Kohl last year reversed his longtime position and said there was no such prohibition. But both the Free Democrats and the opposition Social Democrats say there is.

The result has been a frustrating stalemate that all parties agree has damaged Germany's standing with Washington and other Western allies. Now, the government has sued itself for the first time ever, asking the Constitutional

Court to decide whether German airmen may remain aboard the unarmed AWACS radar planes that will search Bosnian airspace for signs of Serbian aggressors. The NATO operation is expected to begin within two weeks.

The court, which said it would consider the issue Monday, could halt or approve German participation, or it could pass the buck right back to Bonn. At least two members of the court have said this issue should be settled by politicians, not judges.

Breaking off his annual two-week weight-loss fast in Austria to hold the 30-minute cabinet session, Mr. Kohl, who weighs an estimated 290 pounds (130 kilograms), has become ever more impatient with the stalemate, arguing that Ger-

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Death and Destruction Become Banalities for Kids

By Chuck Sudetic
New York Times Service

TUZLA, Bosnia and Herzegovina — Nermin Osmanovic has seen the death of his father, the wounding of his mother, the dispersal of his family and the destruction of his home, and he is not yet 9.

Now he shares a dank schoolhouse in this Bosnian government-controlled town with 60 other Muslim children evacuated from Srebrenica, a town in eastern Bosnia that is under siege by Serbian forces. As he waits for his mother to be released from a nearby hospital, he speaks of his experiences haltingly, but in a matter-of-fact way, with only a hint of sadness.

Indeed, his tale is not unusual in this war. A third of the 5,200 refugees evacuated here from Srebrenica are under age 5, local refugee-relief officials said. Two-thirds are under 14. All have suffered the horrors of the Bosnian war: the hunger, cold and disease, the overnight treks along snow-covered mountain paths, the flying shrapnel, the uncertain-

ty when the family was given supplies from an American aid drop into the valley.

"My mother got one of the aid packages before she was wounded," he said. "There was sugar, matches and coffee. I ate the chocolates. It would have been better if there had been more chocolates."

When a convoy of UN vehicles entered the valley March 12, thousands of trapped Muslim women, children and elderly people gathered around in hopes of gaining safe passage. Nermin said that was when Serbian gunners opened fire.

"When the shells fell there were wounded people all over and children without arms and legs," he said. "One man was hit in the head with shrapnel. It blew out his brains."

"My mother fell right next to me," he said. "I was crying. Two men carried my mother away. I went to Srebrenica the next day with a woman. We went at night and walked all the next day."

Nermin's mother was evacuated by the United Nations to the hospital in Tuzla. Two weeks ago, Nermin and the younger of his

two brothers found their way aboard a UN truck.

But he said he has not yet seen his mother. "I dream about having my mother here."

Dr. Scerija Ibrkovic is a pediatrician who has worked with young refugees in Tuzla since last year.

"Children here had no worries before the war," she said. "Now all at once, shells are falling. People are being driven from their homes. There is great violence, and everything has been taken from them."

"Some children act helpless," she said. "Others withdraw completely into themselves."

Still other refugee children try to act like adults, she said. Such a case, apparently, is Edvin Ikanovic, a cigarette-smoking 12-year-old who is taking shelter in the schoolhouse.

"My dad?" said the boy. "He's dead. Bang! Bang! He had two holes in his back. I want to go to war to get even for my father, to

See CHILDREN, Page 5

Conservatives Start Feud Over Clinton's Goals

By John Mintz
Washington Post Service

WASHINGTON — It is said that the world's most bitter wars break out inside families, and that could explain the savagery of the dispute between two groups that have been allied so long they seem to share bloodlines: the U.S. Chamber of Commerce and the Republican Party.

Republican conservatives in Congress, embittered by President Bill Clinton's recent legislative victories and suspicious of those who compromise with him, have angrily turned on traditional business allies in the chamber for applauding parts of Mr. Clinton's economic and health-care programs.

The conservatives, including Representative Newt Gingrich, Republican of Georgia, and House Minority Leader Robert E. Michel, Republican of Illinois, have issued threats against the chamber unless it aggressively opposes Mr. Clinton. They have said that if the chamber does not change course, they will denounce it, demand resignations of top officials and lead a dues strike of the 215,000-member group.

But the chamber is standing firm, accusing the conservatives of treating the chamber as if it were a valet of the right. The chamber says most of its member businesses want the group to fight for change and end political gridlock.

The anger was obvious in recent meetings between the two sides, as well as in exchanges of letters, including one on March 25 to the chamber president, Richard L. Lesher, from Mr. Michel. Mr. Gingrich, Representative Henry J. Hyde, Republican of Illinois, and three

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David Thomson/The Associated Press

BEST OF ENEMIES — Prince Norodom Sihanouk, left, the Cambodian head of state, greeting Khieu Samphan, the nominal leader of the rebel Khmer Rouge, at Pnom Penh airport on Friday. Khieu Samphan, arriving from Beijing, warned the prince of a possible assassination plot.

Most Clocks in the U.S. Move Ahead an Hour

WASHINGTON (AP) — Most of America will lose some sleep this weekend.

Daylight-saving time returns to most of the nation at 2 A.M. local time on Sunday — through most people will set the clock ahead before retiring Saturday night. The hour of lost sleep will be returned Oct. 31.

General News

Senator David Durenberger is indicted on two federal charges over his expenses. Page 3.

South Korea unions agreed to cap wage increases. Page 13.

U.S. stock market bears cling to their pessimism. Pages 14-15.

Dow Jones	Down 68.63	3,370.81
Trib Index	Up 0.09%	98.56

The Dollar	New York, Fri. @ 4 P.M.	previous close
DM	1.5975	1.592
Pound	1.522	1.53
Yen	113.75	114.05
FF	5.43	5.4005

Terrorist Family: A Murder at Home

The Associated Press

ST. LOUIS, Missouri — An alleged member of the Abu Nidal terrorist organization stabbed his teen-age daughter to death not because of a clash of cultures — the original explanation given — but because she knew too much, prosecutors say.

In a federal indictment, Zein Isa and three other alleged members of the terrorist splinter group — all of them Palestinians living in the Midwest — were accused of conspiring to kill Jews, blow up the Israeli Embassy in Washington, buy weapons and smuggle money to their comrades.

They also were accused in the slaying of 16-year-old Palestina (Tina) Isa, whose stabbing was taped by FBI listening devices.

At Mr. Isa's murder trial in 1991, state prosecutors charged that the girl had been killed because of a clash between her fundamentalist Muslim parents and their Americanized youngest daughter, who had taken a job and had a black boyfriend.

"There is no question her family problems were among the reasons she was killed," an FBI agent, James Nelson, said Thursday. "But additional evidence indicates that her death was to silence her."

The indictment alleges the four planned to kill anyone within the group or outside who could expose their plots. The girl's slaying was the only one alleged to have been carried out.

The Abu Nidal organization, which broke away from the Palestine Liberation Organization in 1973, was described in a State Department report in 1989 as the world's most dangerous terrorist group. Abu Nidal was the name taken by the group's leader, Sabri el-Banna.

The defendants are believed to be the first members of the Abu Nidal faction charged in the United States. Mr. Nelson said the four have no known link to any Abu Nidal terrorist act.

Charged along with Mr. Isa were Saif Nijmeh, 32, who was taken into custody at his St. Louis County home; Luie Nijmeh, 29, who was arrested at his home in Miami, Ohio; and Tawfiq Musa, 43, who was arrested in Racine, Wisconsin.

FBI agents investigating whether Mr. Isa was involved in the PLO had bugged his St. Louis apartment and captured his daughter's slaying on tape in 1989.

On the chilling, seven-minute recording, Isa is heard shouting in Arabic, "Die! Die quickly! Die, my daughter, die!" as he stabbed her. The girl's mother, Maria, held the girl down.

Mr. Isa, 61, was convicted and is on death row. His wife was also sentenced to death, but the Missouri Supreme Court overturned her sentence last week, saying the jury had received flawed instructions.

Mr. Musa and the Nijmehs were jailed without bail.

West Eases Repayment Terms on Russian Debt

1993 Bill of \$15 Billion Is Slashed to \$2 Billion, With 6 Months' Grace

By Tom Redburn
International Herald Tribune

PARIS — In an important demonstration of support for President Boris N. Yeltsin on the eve of his summit meeting with President Bill Clinton, Western governments agreed Friday to relieve Russia of its obligations to repay most of its foreign debt this year.

The pact approved by the so-called Paris Club of Western creditor nations would stretch out the repayment of interest and principal on about \$80 billion in Russian debt to the West, of which about \$70 billion was inherited from the former Soviet Union.

"This is a very generous agreement," a Western diplomat said. "It is an important political gesture at a very critical time in Russian history."

According to officials involved in the negotiations, Russia would pay just \$1.95 billion of the \$15 billion it owed Western governments

On Page 3

Talks could backfire for Yeltsin, who is being attacked at home for setting out to the West. The Russians are wondering whatever happened to the \$24 billion in Western aid.

for 1993 and will receive a six-month breathing space before being required to hand over any cash. The \$33 billion in official debt to the West would be restructured so that Russia would have as much as 10 years to repay.

Western creditor governments, which work together under the umbrella of the informal Paris Club in negotiations with deeply indebted countries, issued a statement saying that they expected to see debt relief of "comparable terms" from commercial lenders.

The statement, released by the French Finance Ministry, said the governments were prepared to consider rescheduling of 1994 debt payments as well.

The debt restructuring agreement, however, is significant more for its potent political symbolism than for its substance. There was never any expectation that Moscow would be able to meet its former obligations, which total as much as \$38 billion in principal and interest to banks and governments. Russia, lacking any deep pockets of foreign reserves, exported less than \$40 billion in goods to the West last year and paid only about \$2 billion to foreign lenders.

Indeed, Moscow had stopped paying interest on nearly all of its Western debt in recent months and said the most it could possibly

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Sense of Urgency And Foreboding For Clinton at Summit Talks

By Thomas L. Friedman
New York Times Service

PORTLAND, Oregon — President Bill Clinton appears to be approaching the summit meeting with President Boris N. Yeltsin of Russia on Saturday with an odd mix of feelings: a sense of urgency, a sense of opportunity and an unspoken fear that no matter what help he offers Mr. Yeltsin, it won't make a difference.

The urgency derives from the president's stated conviction that if the United States does not do what it can to bolster Mr. Yeltsin, and Russian reform falters, Mr. Clinton's ability to slash his own military budget and get his own economic program through Congress will be imperiled.

In Mr. Clinton's view, say aides, the core of Russian-U.S. relations has been fundamentally altered — from a relationship primarily focused

NEWS ANALYSIS

on reducing the threat of mutual annihilation to one primarily focused on reducing the threat of mutually soiling budget deficits.

More than any other in history, this summit meeting is going to be about balance sheets not the balance of power. That is why for the first time ever, the American president will be accompanied to a summit meeting by his secretary of the Treasury.

The opportunity for Mr. Clinton to use the summit meeting to finally establish himself as a credible statesman and leader of the Western alliance, something he has yet to do given his almost single-minded focus on domestic affairs.

The sense of foreboding around the White House springs from a team of intelligence reports suggesting that even if Mr. Yeltsin survives the latest power struggle, and the betting in the administration is that he will, Russia will be in political turmoil for years to come. That will not only be a foreign affairs problem for Mr. Clinton, but also a domestic one.

Indeed, one cannot understand Mr. Clinton's feeling of urgency about aiding Russian reform without understanding that he sees this issue as an adjunct of his domestic agenda. At its crux, the White House logic goes like this: No Russian reform, no American defense cuts; no defense cuts, no chance for the Clinton administration to deliver on its pledge to halve the budget deficit in four years; no dealing with the deficit, no re-election.

The whole Clinton proposal to slash \$122 billion from the Defense Department budget by 1998 is built around the assumption that Russia will remain on a generally upward trend

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U.S. Bars 3 Airlines for Safety Reasons

By Martin Tolchin
New York Times Service

WASHINGTON—Officials of the Federal Aviation Administration have barred three small foreign airlines from American airports for safety reasons. The officials said this was the first time the government had excluded any foreign carrier for safety reasons.

The ban, against Air Belize, Regal Air of Antigua and Central America Air Lines of Nicaragua, was imposed on each of them at various times during the last year but was not made public then.

It remains in effect, however, and was disclosed this week in interviews with officials of the aviation agency, who said that in declining to announce their action formally, they had sought to avoid embarrassing the nations where the three carriers are based.

The action resulted from the agency's crackdown on foreign airlines that fail to meet international safety standards. Prompted by the deadly 1990 crash of a Colombian jetliner that had run out of fuel while waiting to land at Kennedy International Airport, the FAA two years ago began an investigation of all 475 foreign carriers, based in 90 countries, that fly into the United States.

The aviation officials said that they had investigated 24 such airlines so far — one from each of 24 nations — and had found that 14 of them, all based in underdeveloped countries of the Caribbean, Africa and Central and South America, had significant safety problems in either pilot training or aircraft maintenance.

But except for the three carriers that have now been barred, the officials declined to identify the airlines, saying that to do so would compromise the cooperation that the aviation agency needs in working with them to bring their safety practices up to international standards.

Foreign airlines are required to meet not the FAA's own safety standards but rather the more relaxed standards of the International Civil Aviation Organization, an agency of the United Nations. The FAA considers the international rules sufficient to allow foreign carriers to fly into the United States.

But in the case of Air Belize, Regal Air and Central America Air Lines, the agency found not only that the carriers were failing to meet the international standards but also that they lacked sufficient governmental safety oversight.

So the agency barred them. They will be able to petition for re-entry by demonstrating that they are now subject to sufficient oversight.

As in the case of foreign-based carriers with which the aviation agency is already working in an effort to improve their safety, the officials who were interviewed Thursday declined to identify additional carriers, based in Eastern Europe and the Middle East, whose safety standards were suspect.

"We've examined most of those we're most concerned about," said Anthony J. Broderick, the agency's associate administrator for regulation and certification, who is in charge of the inquiry.

The officials did not speak in detail of the problems confronting the three carriers that have now been barred. But they said the major problems uncovered were in the categories of pilot training and aircraft maintenance.

"In many cases there is essentially no pilot training" beyond the initial preparation for a pilot's license, Mr. Broderick said.

"We require training every six months," he added. "But how many countries can afford a \$20 million simulator?"

NATO Moves Fast On Enforcement of Bosnia Flight Ban

By Alan Riding
New York Times Service

PARIS — Approving its first military operation outside Western Europe, NATO agreed Friday to enforce a United Nations flight ban over Bosnia-Herzegovina. He is in turn answerable to the supreme allied commander in Europe, General John M. Shalikashvili, who is American.

Italy, Greece and Turkey are not expected to take part in the enforcement because they are thought to be too close, both geographically and politically, to the conflict in former Yugoslavia. German participation is still being decided.

NATO's decision to enforce the no-flight zone is seen as a prelude to a much larger peacekeeping operation, involving perhaps as many as 75,000 allied troops, if all parties to the Bosnian conflict eventually approve the peace plan drawn up by the United Nations and European Community mediators.

Bosnian Croats and Bosnian Muslims have already backed the plan, which would involve dividing the republic into ten semi-autonomous regions. The Bosnian Serb Parliament met Friday in the southeastern Bosnian town of Bijelina to determine its final response to the peace plan.

Food Shipment Is Blocked

Bosnian Serbs blocked another UN effort to deliver food and medicine to Srebrenica on Friday and evacuate Muslims from the eastern town, news agencies reported.

Serbs, who surround the town, refused to allow passage of both empty vehicles and others carrying aid supplies. Serbs said they objected to a UN evacuation plan designed to avoid the chaos that caused at least nine deaths earlier this week.

Lloyd Sachs, spokesman for the UN High Commissioner for Refugees in Belgrade, said the convoy would try to reach Srebrenica on Saturday.

In Oslo, Thorvald Stoltenberg, who resigned as foreign minister Friday to replace Cyrus Vance as UN envoy for Yugoslavia, said he backed the UN plan that divides Bosnia-Herzegovina into 10 autonomous provinces.

"The only alternative to the peace plan made by Vance and Lord Owen is violence," Mr. Stoltenberg said at a news conference. "I have no choice but to fully support them and the plan."

It is the first time this alliance will run a military operation in practice, not an exercise, said Mr. Werner, a former German defense minister. "It is the first time this will take place 'out of area' and the first time in support of the United Nations."

While some of the specifics of the enforcement operation have still to be worked out, NATO officials said that 50 to 100 surveillance and strike aircraft would be used. They would only shoot down violators that refused orders to return to their bases or leave the zone, the officials said.

The Netherlands was the first NATO country to offer to send a squadron of 18 F-16 fighters. Britain is expected to send a squadron of Tornado F-3 fighters, while France will participate with Mirage-2000 interceptors. The United States is likely to deploy aircraft based in Europe as well as F-14 Tomcats and F/A-18 Hornets from the aircraft-carrier Theodore Roosevelt.

NATO said the operation would be coordinated by Lieutenant General Giuseppe Degli Innocenti,

WORLD BRIEFS

North Korea Vows 'Strong' Reprisals

TOKYO (AP) — North Korea threatened "strong" reprisals Friday in the event it became the target of sanctions over its refusal to accept international inspections of sites where it is suspected that material for nuclear bombs is hidden.

"If the U.S. and other imperialist reactionaries try to encroach upon the sovereignty of our nation and destroy our socialist system with a 'blockade' and 'sanctions,'" said the official North Korean party newspaper Rodong Sinmun, "we would answer them with strong countermeasures, not only against the United States but also its followers."

The commentary followed a decision Thursday by the International Atomic Energy Agency in Vienna to take North Korea case to the UN Security Council for possible action.

EC Pact Foe to Head Paris Assembly

PARIS (Combined Dispatches) — Philippe Seguin, a leading Gaullist and campaigner against the Maastricht treaty on closer European union, was elected speaker of the new National Assembly on Friday.

Mr. Seguin, 49, from the Rally for the Republic party, was chosen in a second round of voting by 389 votes out of 479 cast among the 577 in the legislature. There were 54 blank, or null, ballots.

Most members of the new cabinet under Prime Minister Edouard Balladur favor greater European union through the treaty, and Mr. Seguin is not expected to have much influence over treaty, trade questions or foreign policy issues.

Miyazawa Pledges Political Reforms

TOKYO (Reuters) — An unusually forthright Prime Minister Kiichi Miyazawa vowed Friday to push through political reform in Japan, calling a dirty money scandal the ruling party's "biggest crisis."

He told a rally attended by most of the 370 lawmakers in the Liberal Democratic Party that "our party is experiencing the biggest crisis since formation," and added that "the very existence of our party depends on whether we can clear up this issue."

In his speech, Mr. Miyazawa, who is also party president, put the blame for the Liberal Democrats' woes on the shoulders of Shin Kanemaru, the former party "kingmaker" who made him prime minister in 1991. Mr. Kanemaru, 78, fell from grace and retired from politics last year because of a funding scandal. This opened the way for a probe into his finances that culminated in March with his indictment for allegedly cheating the government out of 1.04 billion yen (\$9 million) in personal income tax.

U.K. Arrests French Trawler Captain

LONDON (AP) — British naval officers boarded a French trawler on Friday and ordered it to Guernsey, where the police promptly arrested the captain, authorities said.

The Ministry of Agriculture said the trawler Calypso was sought in connection with the abduction of three naval officers in disputed waters around the Channel Islands, which are at the center of a quarrel between French and British fishermen.

The British authorities are drawing a hard line with French fishermen, who demand the right to fish within 10 kilometers (6 miles) of Guernsey, something they have always done. "The rule of law must be upheld," said Agriculture Minister John Gummer.

New Libya Sanctions Held Unlikely

PARIS (Reuters) — The United Nations is unlikely to impose tougher sanctions against Libya despite Tripoli's continuing refusal to hand over two suspects wanted for the 1988 Lockerbie airline bombing in which 270 people died, Foreign Minister Alain Juppé of France said Friday.

The United States has considered restricting oil trade with Libya, but Mr. Juppé told reporters that reinforcement of sanctions was "not on the agenda for the moment." He spoke after talks here with the British foreign secretary, Douglas Hurd.

The United States, France and Britain have applied pressure on Libya to cooperate with investigations into two airline explosions, and are due to review sanctions this coming week in the UN Security Council.

TRAVEL UPDATE

Sabena cabin crew employees announced a weekend strike Friday in support of demands for better working conditions, but Belgium's national air carrier said there would be no interruptions in its Saturday and Sunday flights.

Private cars have been banned from Jaffa Road, Jerusalem's main shopping thoroughfare, beginning Friday, traffic in Jaffa Road was restricted to buses and taxis. Carriers can make deliveries at night. (AP)

The United States has lifted a month-old travel advisory warning Americans about the risk of terrorist attacks in Jordan, a government official in Amman said. "The State Department informed us through diplomatic channels that the travel advisory has been lifted as of March 31 and that all Americans can now travel to Jordan with no problem," the official said.

A one-day strike by British rail workers against job cuts halted trains across Britain on Friday. London bus drivers also struck for the day over job and pay cuts. Most Underground lines operated normally. (Reuters)

A strike by baggage handlers at Orly airport near Paris caused delays of up to two hours Friday for passengers on Air France and associated airlines, airport officials said. The handlers, who have staged sporadic action in recent weeks, are demanding a new salary structure. (Reuters)

Moscow's Arms Cast Gloom Over Japan

AGENCE FRANCE PRESSE

TOKYO — Japan called Russia's continued military presence in Asia destabilizing and expressed concern Friday about possible threats from China and North Korea.

The assessment was presented in the annual Foreign Ministry Diplomatic Blue Book, which also said the fast-changing global situation might force "serious debate" here in 1995 when Japan discusses whether it should expand its role in UN peacekeeping.

Citing Russia's deployment of sophisticated military equipment, the document called the presence of Russian armed forces in the Far East "a factor of instability concerning the security of the region."

Russia's growing weapons exports and its plans for the continued use of naval installations at Cam Ranh Bay in Vietnam also remained a cause for concern, the assessment added.

It called for scrutiny of China's military modernization program, including its purchase of Su-27 fighters from Russia, and noted that regional concerns about Beijing's military buildup and its claims to the disputed Spratly Islands in the South China Sea.

On North Korea's suspected nuclear arms program, which has embroiled the UN Security Council, the paper noted reports that Pyongyang was producing a missile with a range of 1,000 kilometers that could strike Japan.

The report said that Japan's relations with the United States would remain "one of the main tasks of Japan's diplomacy 1993" and that the two countries should be prudent in solving trade problems.

The document asserted that there was a limit to the effectiveness of traditional UN peacekeeping operations in the conflicts in the former Yugoslavia and Somalia.

It pledged Japan's continued contribution of troops to UN

'Shortcomings' Found in Audit of WHO Finances

GENEVA — Auditors investigating the finances of the World Health Organization said on Friday they had found "shortcomings" in its use of funds, but laid no personal blame on its Japanese chief, Hiroshi Nakajima.

The audit identified six cases where normal WHO procedures had not been followed in the awarding of contracts. It called for greater scrutiny of the agency's procedures.

A team of auditors was called in after Mr. Nakajima's nomination as director-general by the executive board in January. Four of the contracts concern payments to or for individual board members believed to have voted for Mr. Nakajima.

Sir John Bourne, the audit director, said the "most serious case" involved a \$150,000 contract to a research foundation run by a board member, Dr. Alfredo Bangzon of the Philippines, said to be one of 18 board members who backed the Japanese pharmacologist.



Azerbaijani refugees scrambling to get on an army helicopter as they tried to flee the town of Kelbajar, under siege by Armenian forces.

Siege in Azerbaijan Imperils Truce Talks

By David Binder
New York Times Service

WASHINGTON — Fresh fighting between Azerbaijan and Armenia over ethnic enclaves is imperiling international negotiations on a cease-fire, according to Clinton administration officials.

The dispute began in 1988 when ethnic Armenians, complaining of persecution in the Azerbaijan enclave of Nagorno-Karabakh, asserted the right to secede and to join their territory to Armenia. Now the ethnic Armenians say they have created an independent republic in the territory.

After seven battles last year in which as many as 7,000 people were killed, Armenian forces gained control of virtually all of the

enclave, with its population of about 200,000, and of a corridor linking it to Armenia.

The latest fighting is occurring in northwestern Azerbaijan, well outside Nagorno-Karabakh. Armenian forces have encircled the town of Kelbajar and cut the roads to the north and south, isolating some 60,000 people, government information officials in both Armenia and Azerbaijan say. But they tell different stories about the nature of the fighting and about whether Armenian troops are involved.

[Interfax news agency reported from Moscow that Armenian forces fought their way into Kelbajar on Friday in a battle to open a new land corridor to Nagorno-Karabakh, according to an Agency

France-Press dispatch. Quoting the Azerbaijani Defense Ministry in Baku, Interfax said street-to-street fighting was taking place in Kelbajar.

[Azerbaijani news agencies said President Elbuliz Elchibey had signed a decree imposing a state of emergency, Reuters reported from Moscow. He has ordered a curfew and banned political activity by parties and movements. The president imposed restrictions on entry, exit and travel within the country, as well as censorship on all media.]

"The fighting is extremely disruptive to the peace process," said an administration official concerned with the issue. He was referring to talks begun last year in Minsk, the Byelorussian capital,

and continued in Rome and Geneva. In Rome, the Armenians and Azerbaijanis agreed on the terms for negotiating a cease-fire and on international monitors.

The origin and scale of the latest fighting has been impossible for the Clinton administration to gauge.

The Azerbaijani ambassador to Washington, Hafiz M. Pasayev, asserts that "Armenian regular forces" have invaded his country and joined up with forces crossing into Kelbajar from Nagorno-Karabakh.

The Armenian ambassador, Rouben Sogarian, denied in a telephone interview that his government's army had invaded Azerbaijan, asserting instead that only "self-defense forces of Nagorno-Karabakh" had attacked Kelbajar.

Russia Admits It Used Nuclear Dumps at Sea

MOSCOW — The Soviet Union long violated international standards on dumping nuclear waste in Arctic and Far Eastern seas, an official report on Friday acknowledged.

The report, produced by the Russian government, environmentalists and other officials, said the most significant threat came from the dumping of reactors from submarines, ice-breakers and other seagoing vessels.

It proposed that Russia embark on a program to develop safer land-based storage methods. For the moment, it said, Russia had to continue dumping more dangerous liquid waste at sea because of a shortage of facilities on land.

"There were instances of dumpings that were unauthorized or carried out with vessels with nuclear waste having sustained an accident," the report said.

"The most serious potential radioactive danger is posed by the dumping in shallow waters around Novaya Zemlya and the Kara Sea of reactors from atomic submarines and a container from the icebreaker Lenin with nuclear fuel already unloaded."

But the report said that despite the failure to monitor radioactivity in the area for 25 years, studies now showed no danger to human life or the environment.

A joint expedition by Russian and Norwegian scientists, the second of its kind, was planned to the area later this year.

"Our initial conclusion is that there is no significant danger of radioactivity or contamination from radioactive waste disposed of by the Northern and Pacific navies or the Murmansk merchant marine," Alexei Poryadin, first deputy environment minister, said at a news conference.

The Soviet Union began storing spent fuel at sea in 1959 but was secretive about it and failed to inform international maritime authorities.

Russia has already acknowledged dumping 17 reactors in the Barents Sea, to the west of Novaya Zemlya, including seven containing spent nuclear fuel. It has pledged to stop the practice.

15 U.S. Reactors Found Weakened by Radiation

NEW YORK — The staff of the Nuclear Regulatory Commission has found 15 nuclear reactors around their United States whose reactor vessels have become so weakened by radiation that they will require careful analysis to determine if they are still safe.

The staff's finding, affecting about one-seventh of the nation's 111 reactors, is a sign that the installations are aging faster than their builders had anticipated and will take more effort to keep running.

The staff singled out the plants in a study that it began last year after a 32-year-old Massachusetts plant, Yankee Rowe, was retired because of questions about the strength of its reactor vessel.

The reactors on the new list will probably not have to shut soon, industry experts said. Rather, their owners will have to provide extensive analyses to show that the weakened metal is still stronger than the minimum calculated to be necessary. Some have already submitted analyses to the commission, although none has been approved yet.

The reactor vessels are becoming brittle because of years of bombardment by subatomic particles called neutrons, which sustain the chain reaction in the reactor cores. In a report to the commissioners Feb. 25, but not made public until three weeks ago, the staff noted, "The integrity of the reactor pressure vessel is essential in ensuring reactor safety." Embrittlement depends mostly on plant design, metallurgy and years of operation.

For investment information read THE MONEY REPORT every Saturday in the IHT

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FIRST 100 DAYS / ON THE WAY TO THE SUMMIT



Mr. Clinton, with a special assistant, Bruce Lindsey, left, and Vice President Al Gore arriving in Oregon for talks on old-growth forests.

Western Aid? Russians Wonder When

By Celestine Bohlen
New York Times Service

MOSCOW — From the day they first watched parcels of humanitarian aid" unloaded off U.S. military aircraft at Moscow's international airport more than a year ago, Russians have been puzzled by the West's fumbling attempts to aid their beleaguered country.

First, amid a blizzard of publicity, some shipments of food, ranging from baby food to Meals Ready to Eat left over from the Gulf War, sent by governments and charitable organizations in response to alarmist reports that Russians were about to go hungry.

Then, as the threat of mass hunger faded away, exposing Russia's genuine economic problems, the West's seven leading industrialized nations patched together a complex package of financial aid, costing \$24 billion. That figure made a deep impression on Russian citizens, who took it as a sign that after the Cold War, the West was serious about helping them build a viable, vibrant economy.

Now, after a year of watching a steady stream of Western consultants tramping through Moscow, staying at the city's ostentatious five-star hotels, Russians are asking what happened to the \$24 billion that was promised them last year. More to the point, some are asking whether it ever came at all.

plunge — of which only about \$60 million has been released for the purchase of imported equipment, in this case bought on a competitive basis, with a portion of credits available to Russia's struggling private sector.

Other World Bank projects, including a \$90 million loan for privatization and \$70 million more to improve Russia's social services have been caught up in bottlenecks inside the Russian government, said Mr. Kiselev.

Russian officials admit that many of the problems with the distribution of aid originate here, caused by an inefficient and often corrupt bureaucracy. The running feud between the government and Russia's central bank over monetary policy is cited as one of the main reasons for the holdup of IMF funds.

Recently, Vice President Alexander V. Rutskoi gave voice to these misgivings with a blanket accusation that 60 percent of the aid had

been siphoned off by "commercial structures," which pocketed 40 billion rubles, or \$59 billion at the current exchange rate, in profit.

Alexander A. Zhitnikov, first deputy chairman of the government commission that distributes the aid, vigorously defends his program which, early on, chose to sell the donated goods to commercial outlets, with the proceeds going to special social welfare funds.

Mr. Zhitnikov and his commission, however, have objected to some of the conditions placed on the aid by the donor countries. Initially, about 70 percent of the goods was delivered to Russia's two major cities, Moscow and St. Petersburg, even though they represent only 10 percent of its population.

There is a definite resentment from legislators from other regions, said Mr. Zhitnikov. "The West needs to trust us, and our assessment of where the needs are."

Watching Yeltsin's Every Step If He Begs, Talks Could Backfire at Home

By Margaret Shapiro
Washington Post Service

MOSCOW — The first summit meeting between Presidents Boris N. Yeltsin and Bill Clinton holds much promise for the Russian side, which wants new aid to help prop up faltering reforms, but it is also fraught with tremendous risks for the Russian leader, who is under increasing attack for selling out to the West.

This meeting was eagerly sought by Mr. Yeltsin last month as political opponents, opposed to his reforms, began circling around with the intention of removing him.

Yeltsin, and other Russian officials, are hoping that a new infusion of U.S. aid for very concrete, visible projects, coupled with some easing of old anti-Soviet trade restrictions, will give Mr. Yeltsin and his free-market programs a needed boost going into a critical national referendum on April 25.

But, in the current extremely unpredictable political atmosphere, in which many Russians feel impoverished by Mr. Yeltsin's economic changes and disheartened at their country's collapse from superpower status to an international basket case, the summit meeting could also easily backfire, many here believe.

Mr. Yeltsin cannot afford to be seen as a supplicant, as an unequal partner begging for help from the United States and willing to make foreign policy and other concessions to stay on America's good side. Hard-line nationalists and former Communist critics have already accused the United States and the West of wanting to destroy Russia with aid packages conditioned on stringent economic changes.

While these critics still represent only a fraction of public opinion, their influence is growing both in the legislature, which has abandoned all effort at compromise with Mr. Yeltsin in advance of the April 25 vote, and among the hard-pressed general public.

"The most dangerous thing for Yeltsin about the summit is if it appears as a surrender, if Russians get the impression that Americans are giving in exchange for something," said Igor Kiyamkin, a political analyst. "Anything that can be interpreted as an infringement on Russian dignity, any trace of a haughty attitude will not be accepted well by Russian public opinion and will result in a negative attitude toward both Clinton and Yeltsin."

Even Mr. Clinton's strong personal support for Mr. Yeltsin is a mixed blessing. Some voters take Western endorsements as important signs of confidence, while others believe the West should back democracy without "meddling" by singling out specific people for support.

new Mr. Yeltsin — in a counterproductive way.

As vital for Mr. Yeltsin is the structure of any aid package that emerges from his talks with Mr. Clinton. Any new program of assistance for Russia is bound to be greeted with quite a bit of skepticism here because of the general feeling that past aid promises have amounted to very little.

The Group of Seven industrial democracies a year ago pledged Russia \$24 billion in assistance. But it was mostly in the form of very broad programs that the average Russian cannot connect to his or her daily life.

"This empty talk about the \$24 billion was the main thing that discredited Yeltsin and Gaidar in the eyes of the people," Mr. Ambartsumov said, referring to Yegor T. Gaidar, the acting prime minister and radical economist whom Mr. Yeltsin favored to jump in December under pressure from the conservative parliament. "It was the Americans themselves who weakened them."

For Mr. Yeltsin to come out well in this summit meeting, Mr. Ambartsumov and others said, he needs a concrete program of assistance that provides immediately apparent benefits: new housing for displaced military people; financial support for people losing jobs because of economic restructuring; aid for retired people and children; and new programs to draw large-scale U.S. investment into Russia's troubled economy.

Clinton administration officials say the president is planning to offer such a targeted package to Mr. Yeltsin that could provide quick, visible signs of the fruits of cooperation between the two countries.

"The forthcoming summit should not end just in statements and assurances of friendship but in concrete steps and commitments," said Maxim Yudin, a foreign affairs correspondent with Izvestia. "I mean concrete investments in the Russian economy so that the average man on the street can see tangible effects from the summit."

A key element of that, mentioned in virtual all commentary on the talks, is ensuring Russian access to world arms markets. Russia's military-industrial complex is one of the few remaining bright spots in the collapsing economy.

Senator Indicted In Expense Fraud

The Associated Press

WASHINGTON — Senator David P. Durenberger was indicted Friday on two federal charges that he falsified his Senate expense account to get taxpayer reimbursement for stays at a Minnesota condominium he owned.

The Minnesota Republican; his attorney, Michael C. Mahoney, and an adviser, Paul P. Overgaard, were charged with conspiring to make false claims and with making false claims to the Senate.

The Justice Department has been investigating the senator since 1990, when the Senate denounced him for ethics violations, including some involving the condominium. At the time, the senator promised his colleagues that he would be "a better man and then a better senator," and agreed to repay \$123,000 in restitution.

The indictment returned here by a federal grand jury accused Senator Durenberger and his two advisers of hiding the senator's ownership in the condominium so that he could qualify for government reimbursement when he stayed there.

Mr. Mahoney and Mr. Overgaard, president of Independent Service Co., a pension advisory company in Albert Lea, Minnesota, also were charged with perjury and making false statements in depositions and affidavits given to the Senate Select Committee on Ethics.

Senator Durenberger, 58, has been in the Senate since 1978. He was convicted on all charges, he could face a maximum of 10 years in prison and a \$500,000 fine. The other two defendants would face a maximum of 20 years in prison and a \$1 million fine.

The indictment charged that the three conspired to hide Mr. Durenberger's ownership interest in the condominium to make it appear that he was renting it from Mr. Overgaard's company in order to claim Senate reimbursement. According to the indictment, the company did not own the property when the claims were made.

Earlier Friday, the senator's chief aide, Rick Evans, said prosecutors were threatening to seek an indictment unless the senator pleaded guilty to lesser charges. But Mr. Durenberger refused because he did not think he should be prosecuted, Mr. Evans said.

One document that surfaced in the Senate Ethics Committee investigation showed that Mr. Overgaard was so frustrated with delays in closing the deal that he threatened to pull out of the sale.

In a September 1989 letter to the senator, Mr. Overgaard wrote, "The last thing I need is to get involved in your ethics investigation and be accused of participating in a sham transaction by which you collect per diem... on a residence you actually own."

POLITICAL VOICES

Drug Companies See Threat in Vaccine Plan

WASHINGTON — Drug company executives said they might slow or stop development of new vaccines if the Clinton administration went ahead with its plan to buy vaccines for all children.

The comments came at the same time that the secretary of health and human services, Donna E. Shalala, announced at a news conference that the government intended to go ahead with the plan, and to seek out all American children who are not immunized.

In sending his proposed legislation to Congress on Thursday, President Bill Clinton called the program an urgent measure. The \$1.1 billion administration plan is intended to ensure that all children are fully immunized by age 2.

Dr. Ronald J. Saldmair, president of Lederle-Franco Biologicals, a division of the American Cyanamid Co. and the largest producer of vaccines in the United States, said he feared that if the government became the sole purchaser of vaccines, which it now buys at a discount, the result would be an overall lowering of price.

Dr. Gordon Douglas, president of the vaccine division of Merck & Co., said the government not only paid a lower price but was also an unreliable buyer.

Dr. Howard A. Pearson, president of the American Academy of Pediatrics, said the administration's plan was crucial to the health of American children.

Conservationists Criticize Clinton Reversal

PORTLAND, Oregon — On the eve of a major test of the administration's commitment to natural-resource protection, the heads of three of the nation's largest conservation groups bitterly accused President Bill Clinton of betraying a promise to reform federal policies on use of public lands.

Referring to the administration's decision earlier in the week to abandon a push for higher fees on mining, grazing and timber activity on federal lands, the president of the National Wildlife Federation, Jay D. Hair, said that "what started out like a love affair" between the environmental community and the new administration was "turning out now to be more like date rape."

Joined at a press conference by Peter A. A. Berle, president of the National Audubon Society, and Karin Sheldon, acting head of the Wilderness Society, Mr. Hair said Mr. Clinton's "politics as usual" on resource fees raised fears of the abandonment of strong protections for the Pacific Northwest's old-growth forests.

Nuances Cropping Up in Energy Tax Proposal

WASHINGTON — The Clinton administration is offering political sweeteners and exemptions that would make its proposed energy tax less burdensome than expected for certain industries and regions of the country — without surrendering revenue.

Among the beneficiaries would be coal producers and oil refiners, parts of the natural-gas industry, ethanol-producing farm states and the New England region, a heavy consumer of home-heating oil.

Perot Puts Clinton In a Snit

By Gwen Ifill
New York Times Service

ANNAPOLIS, Maryland — President Bill Clinton and Ross Perot abruptly dropped all pretense of diplomacy in a fit of transatlantic name-calling that noisily shattered their political ceasefire.

Here for a speech at the U.S. Naval Academy on Thursday, Mr. Clinton, in response to a question, said that Mr. Perot had engaged in "rumor-mongering" by repeating unflattering stories about the administration's relations with the military.

Mr. Perot, a Texas businessman who won 19 percent of the vote as an independent candidate for president last year, responded tartly in a telephone interview from Dallas, charging that Mr. Clinton had "ducked" military service and thus lacked moral authority to criticize an army general who recently complained of poor treatment at the hands of a White House aide.

"If he wants to climb into the ring," Mr. Perot said ominously, "any time, anywhere."

Mr. Clinton seemed especially annoyed by Mr. Perot's decision to repeat a widely circulated story that a member of the president's staff had refused to speak to a uniformed general on the White House grounds.

"The other story, like all those military stories, was an abject lie," the president said. "I don't think we ought to be out here rumor-mongering myself. I think it does very little to support the public interest."

AMERICAN TOPICS

After 25-Year Fall, Smoking Levels Off

The percentage of people who smoke failed to decline in 1991 for the first time in a quarter-century, according to the federal government's Centers for Disease Control and Prevention. Smoking actually increased among blacks and women. The agency blamed the wide availability of discount cigarettes and \$3.9 billion in annual tobacco advertising. It urged higher cigarette taxes.

"We need to look at bold steps because we're not making the progress we need to make," said Dr. Michael Eklund, director of the agency's Office of Smoking and Health.

The figures for 1991, the latest available, mark the end of 25 years of steady decreases in smoking. And they mean the United States won't meet an agency goal: only 15 percent of people smoking by the year 2000. Dr. Eklund said that "at the current rate, we'll only reach 19 percent."

Short Takes

Roger Blackwell, a professor of marketing at Ohio State Uni-

versity, is father of the "Restroom Theory of Management." A past winner of the American Marketing Association's award as "Marketer of the Year," Professor Blackwell told a recent business convention, "I have never seen a firm with dirty restrooms and good customer service."

A remote control that opens the sliding door of a minivan is being offered by General Motors as a \$295 option. A driver walking toward the van — with arms full of packages, for example — pushes a button on the key chain and the door slides open. Remote controls already unlock car doors but this is said to be the first that actually opens them.

The last of the original McDonald's restaurants, built before Ray Kroc took over and covered the world with golden arches, has been serving hamburgers in Downey, California since 1953. It will be closed because it lacks a drive-through window, is unsuitable for remodeling, and has been losing \$50,000 a year, a company spokesman said.

Commenting unashamedly on the U.S. Supreme Court opening created when Justice Byron R. White announced his retirement, Randall A. Terry, founder of the militantly anti-abortion Operation Rescue, said, "It may be hard to find a multicultural, politically correct, child-killing, lesbian spotted owl to fill the vacancy."

Julius Westheimer, financial columnist for The Baltimore Sun, reports that an elderly woman told him, "Young man, at my age I don't want long-term bonds. I'm so old I don't even buy green bananas any more."

Arthur Higbee

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Opinion

OPINION

Herald International Tribune

The Dirty Work in Bosnia

A first vote to authorize force in Yugoslavia has been taken in the United Nations. The Security Council now instructs the Western powers to apply "all necessary measures" to keep Serbian aircraft from aiding Bosnian Serb units in the battle of Bosnia.

gains. Then, too, minorities must be protected within the 10 new designated provinces, and great lengths of new provincial borders must be policed. The notion that economic sanctions alone will ensure execution of these demanding tasks is belied by the whole history of this awful conflict.

'This Right for All People'

It was a Republican president, Dwight Eisenhower, who made an especially cogent case for the importance of international family planning. "Governments must act and private citizens cooperate urgently through voluntary means to secure this right for all people," he said.

them in poor countries, die every year. A quarter of the deaths that occur before term are the result of illegal abortions.

When population experts protested that such a ban held poor countries' efforts hostage to America's abortion controversy, Mr. Reagan's advisers had a blithe answer.

Even so, the rate of population expansion remains awesome, threatening to impoverish the planet. We have already seen what drought, poor land use and overpopulation did to Ethiopia. Runaway pregnancy rates are no route to progress.

Ambitions of Newcomers

There is an honorable tradition whereby freshmen members of the U.S. Congress show up, decide the place is a mess and offer a packet of reforms. This year's intake of new members is particularly large, and to the reformist mood in the country is vigorous.

churn out and for requiring automatic monthly disclosure of how much members spend on often useless postage. The main areas of overlap were minor: Both groups said Congress should subject itself to the laws it passes affecting others, a good principle.

The Republican plan seems predicated on the idea that Republicans will always be a minority in the House. Much of what the Republicans want would simply impede the ability of the majority to pass legislation.

On changing the way political campaigns are financed and reforming lobbying practices, the Democratic newcomers proved bolder, or at least quicker, than their Republican brethren, calling for public financing of campaigns and new restrictions on "soft money" contributions, which effectively bypass the law.

Other Comment

Rebuilding the French Left

The left, annihilated at the ballot box, has made the need for "reconversion" its first priority. But what is meant by that? The reconversion of the left can have only one meaning: to build a leftist party shorn of socialism.

be struck from the political vocabulary. Certain mechanisms are well-suited to the conquest of power but are catastrophic at governing. Until it came to power, the Socialist platform remained a propaganda tool. The trick was always the same: Accustom the public to judging the capitalists by their results, but socialism by its intentions.

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Vancouver: Good for Gardening, Not Grand Visions

By Stephen S. Rosenfeld

WASHINGTON — The script called for Bill Clinton to move on in a statesmanlike fashion from a successful first encounter with the domestic agenda to a major high-policy initiative aimed at bolstering democracy and reform in Russia and beyond.

and grand visions and to concentrate on keeping options in Russia open for a better day. Don't knock this sort of diplomatic gardening. Things don't stay put. Unless they get better, they get worse.

now being mentioned is out of line. More important than the money is the assurance that it will be spent reasonably effectively. Good ideas are out there on how best to fund scarce resources. Vancouver can help the two governments sort them out and give them a push.

awesome persistence of this tension imposes on the United States a difficult requirement. Americans must draw Russia out of its historical and cultural shell while doing their part to ensure that the Russians who are drawn out are not discredited as "stooges" of the West.

Bobby, Martin and John: And If They Had Lived?

By Richard Reeves

NEW YORK — Twenty-five years ago Sunday, on April 4, 1968, Martin Luther King Jr. was shot to death as he stood on a motel balcony in Memphis, Tennessee. He was 39. What if he had lived?

1964 election, in mid-November of 1963, John Kennedy said something about using photographs with poor blacks as part of putting together a new anti-poverty program.

the Kennedys were large figures. And if they had lived, some things would certainly be different. If John Kennedy had lived, Robert Kennedy would not have become the man he was after his brother's assassination.

With decent birth control, India could still be a reasonable dream of economic and political dignity. Without it, all the sweat and talent will not fulfill that hope.

How to Eat (and Drink), How to Parent, How to Think

By Charles Krauthammer

WASHINGTON — My channel surfing was arrested by the Manhattan courthouse recouping the day's doings at the Woody Allen-Mia Farrow custody fight. "Testimony today," she said, "focused on Woody Allen's lack of parenting skills."

better choice. The sight of these two vying for custody of that brood makes you wonder how a society that requires licenses for drivers manages without requiring them for parents.

Sexual intimacy, for example. "A skill like any other," concludes the Pulitzer Prize-winning journalist Richard Rhodes in his recent sexual autobiography. There are entire bookshelves of wildly successful manuals ("How to Satisfy a Woman Every Time" — 35 weeks on the best-seller list) to show how far from alone Mr. Rhodes is in this belief.

Woody Allen, the movie character, once said: I've had 17 years of psychotherapy — one more and I'm going to Lourdes. Time's up, Woody. Now get on that plane. Washington Post Writers Group.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: A New Explosive

BERLIN — There have been gun trials with a new explosive substance which is to replace the powder in use in the German Army. The new explosive is chiefly composed of a kind of fatty substance, and is of a brownish color. It is of the consistency of frozen olive oil, and remains so up to a temperature of 50 degrees Centigrade.

1918: For the Doughboys

AMERICAN FRONT — After two days' shelling the Germans have finally named the Salvation Army truck, but its precious cargo of doughboys was preciously saved by volunteers who braved the dangers at night. The Herald story how the truck became a target for the German guns has been read by the soldiers, and next to the

To Alleviate The Misery Of Numbers

By A. M. Rosenthal

NEW YORK — Presidents have a kind of political bank account in American minds. When a president takes an important step, or ducks one, each American makes a mental deposit or withdrawal according to his or her political tastes.

Aside from violating freedom of speech and medical counsel for Americans, this order was an economic and political blow to countries that can afford it least: nations whose population growth is so explosive that it wipes out hope that there can ever be food for every mouth, or a decent place to rest every body.

I am not a demographer but I do have a qualification to write and shout about the importance of birth control and American help for it. I lived in India for four years.

On my desk is a book I bought in New Delhi long ago — Murray's Handbook. It tells me the population when I first saw India in 1954 — about 360 million. All over the world people knew then that India was being choked by its people.

Perhaps we can grasp India now. But can our minds encompass a vision of the streets of Bombay, or of scores of exploding cities around the world, in another few decades? I do not think we can; nobody has ever seen such dreadful things as those streets will be.

There is an almost unspeakable sorrow in that thought — the knowledge that all the drive and effort that Indians and Mexicans and Nigerians and Egyptians, and so many others, have put into strengthening their countries may add up to nothing but unending misery.

And American aid to many population control groups continued during the Reagan-Bush anti-abortion ban. But the order did more than wipe out aid directly or through the United Nations to groups that would not obey Washington's order to shut their mouths and brains about choice.

Now America is back. Mr. Clinton's account is greater, and the accounting interest will be shared by many people in many choking nations. The New York Times.

1943: Fight in Solomons

WASHINGTON — [From our New York edition:] A sudden island of fighting in the Solomon Islands was revealed today [April 2] by the Navy department. The fighting resulted in the scattering of Japanese vessels which were apparently trying to land supplies and reinforcements on the much-bombarded Munda Island, and the shooting down of sixteen Japanese Zero planes of a force of about forty that tried to divert American planes from attacking the vessels, the Navy said. Six American planes were shot down, but two of the pilots were rescued.



IN TUNE — Boris N. Yeltsin greeting Mikhail Rostropovich on Friday after the cellist delivered a fully equipped medical bus to a Moscow children's hospital. A second bus will go to St. Petersburg.

Real Bullet May Have Killed Actor Lee

By Patrick Boyle
Los Angeles Times Service

WILMINGTON, North Carolina — The death of Brandon Lee in a filming incident took a startling turn when police disclosed that the actor was killed by what was apparently a .44-caliber bullet.

What appeared to be a bullet was discovered lodged near Mr. Lee's spine during an autopsy, calling into question the safety procedures on the film set.

Detectives from the Wilmington Police Department said that they were still treating the death as an accidental shooting. They said that they recovered the .44-caliber pistol from the movie set along with what appeared to be two spent casings, one from a blank round and the other from a "dummy" bullet used in the filming.

Police said it will be at least a week before laboratory analysis will be complete to determine the specific nature of the material found in Mr. Lee's body.

Mr. Lee, 28, was the son of the late martial arts film star Bruce Lee. The accident occurred Wednesday at Carolco Studios, where an action film, "The Crow," was in its final week of production.

Officials at Carolco and others involved with the movie have declined to discuss the events leading up to the scene in which Mr. Lee was killed. They also refused to answer any questions regarding safety procedures in place for such action scenes.

In the scene, Mr. Lee walked through a doorway carrying a bag of groceries and was shot one time by the actor Michael Madsen, playing a villain in the film. At the moment of the shooting, Mr. Lee pulled a trigger hidden behind the grocery bag to set off a "squib," a small explosive device designed to create the appearance of the sack bursting when struck by a bullet.

After setting off the squib, Mr. Lee collapsed on the set, bleeding profusely from the right side of his abdomen. He was rushed to New Hanover Regional Medical Center, where he died after five hours of surgery.

RIGHT: A Loyalty Feud

(Continued from page 1)

other House Republicans. "In the interest of peace and stability, we are all in this together," the letter began. "We wanted to alert you to a rapidly spreading frustration and anger with the chamber's failure to take an aggressive posture on the Clinton economic program before we pass the point of no return."

It added: "The chamber's current posture is disturbing. We have had several brutally frank discussions about it."

The letter concluded, "Your current posture is unacceptable."

The chairman of the chamber, Ivan W. Gorr, who heads an Ohio-based insurance company, replied in a letter this week. "This apparent attempt to dictate to us what our policies should be is deeply offensive," he wrote.

He added: "The irony of your approach will not be lost on our members — that a small group of legislators, who espouse the principle of limiting government interference in business, is attempting to interfere in the democratic policymaking process of a business organization."

Partisans on both sides say the conservatives believe they must discipline the chamber because it has compromised with Mr. Clinton more than other business groups, and because the conservatives want to maintain the Reagan coalition of business groups, Christian fundamentalists and the ideological right.

Chamber officials say their adversaries distort its position. The chamber has not endorsed the Clinton program wholesale, but expresses vague support for some of its efforts to cut the deficit and reorganize the health-care system. But the chamber also strongly opposes other Clinton proposals, such as one to bar companies from replacing workers.

Both sides acknowledge that the argument is especially heated because the traditionally anti-tax chamber has been one of the right's most loyal friends in recent years. Of all large business groups, the chamber was the most vociferous in attacking tax increases in President George Bush's 1990 budget compromise.

Conservative journalists have also criticized the chamber for its conduct, including columnists Rowland Evans and Robert Novak and such magazines as National Review, Insight and Human Events.

William Stone, a chamber board member and a conservative, said the dispute was less political than "psychological."

President of a Kentucky-based plate-glass company, Mr. Stone said the conservatives, including some close friends, were "out in the cold for the first time in 12 years."

He added: "They're suspicious of my friends who even talk to the enemy. They feel abandoned."

In Germany, the Work Ethic Splinters

By Craig R. Whitney
New York Times Service

FRANKFURT — Ante Kundić, a 43-year-old refugee from Croatia, thought he had landed a job as an electrician on a housing construction site in Fechenheim earlier this week.

But the German labor office and the police took it away from him less than 24 hours later in a raid of a kind that is fast becoming a daily occurrence here.

"We're being encouraged to make these raids, but they usually don't turn up much," said Bernhard Gorg, an investigator of the Frankfurt labor office in charge of combating illegal employment. He said he was surprised himself that this one had turned out to be different.

Pressure to crack down on illegal employment is intense in a country hit by rising joblessness, frustrated by a steady influx of foreign asylum-seekers and refugees who are not supposed to take jobs at all, and anger at native Germans who cheat the welfare system out of an estimated 10 billion Deutsche marks (\$6.2 billion) every year, politicians say.

Many German voters are angry at their politicians for being seemingly unable to do anything about these problems. In local elections here in March, the right-wing Republicans, who promised more effective action, won 9.3 percent of the vote.

So federal, state and local government authorities, following the election returns, are cracking down on welfare abuses. The crackdown, they say, will save the taxpayers bil-

ions of marks that would otherwise come from income tax increases or budget cuts, for the reconstruction of the shattered economy of East Germany.

But wage levels and fringe-benefit costs in Germany are among the highest in the world, driven up by decades of welfare-state expansion comfortably protected by the United States and other NATO allies during the Cold War.

For the first two decades after World War II, Germany had a labor shortage, and invited hundreds of thousands of Italians, Yugoslavs and Turks to come and work, at German wage levels, as "guest workers."

Recruitment stopped with the economic slowdown of 1973, but nearly 3 million people from these areas still live in Germany 20 years later.

New pressures arose after the collapse of communism and the rise of nationalism in Eastern Europe. Lately, pressure on the German labor market from unemployed and well-educated East European workers also has been rising, and tens of thousands of them have streamed here looking for work.

Nearly 100,000 workers from Eastern Europe are legally employed in Germany, the labor authorities say, working for Romanians, Polish and Bulgarian subcontractors in the construction industry. These subcontractors often underbid German companies, and suspicion is widespread that they can do it because they pay their workers less than minimum German wages, though they are not legally allowed to.

But there are also tens of thousands more

such workers from Eastern Europe who come here ostensibly as tourists — not to see the sights, but to paint ceilings, repair washing machines and do carpentry, charging far less money than German workers would because they do not pay health or retirement benefits.

Many Germans are as reluctant to do the paperwork to make such craftsmen "legal" as the workers themselves are to pay insurance premiums.

One Bonn enterprise uses such workers from Poland to do all its routine maintenance and upkeep in installations that are scattered all around the city. The Poles come in teams of three or four, a month at a time. Many would return home after a month's work, one they could earn in Poland during a whole year.

Daniel Cohn-Bendit, the elected city official in charge of multicultural affairs, laughed at the labor office's raids.

"These are pathetic attempts to appear to be coming to grips with the situation," he said. "The politicians are afraid of seeming to be incapable with dealing with the situation, so they order actions like this."

Bernhard Jagoda, the president of the federal labor office in Nuremberg, said that 46,200 cases of illegal employment of foreigners had been uncovered by his office last year.

But by far the bulk of the 433,600 cases of abuse discovered by his office, Mr. Jagoda said, was made up of German workers on unemployment benefits who took jobs on the side and kept collecting unemployment insurance.

2 Admit to Arson At Sachsenhausen Jewish Memorial

(Continued from page 1)

BERLIN — Two extreme rightists here have admitted taking part in an arson attack at the former Sachsenhausen concentration camp, now a Jewish memorial, a prosecutor's spokesman said Friday.

The Potsdam prosecutor's office said the two, 19 and 22, said they joined about 15 others in burning the wooden barracks at Sachsenhausen in September. The names of the two were not released.

The barracks, destroyed by the fire, housed a museum in memory of Jewish victims of the Nazis who died at Sachsenhausen.

About 120,000 inmates, mostly Jewish women, lost their lives at the camp, which later served as a Stalinist prison.

The attack was among a string of radical rightist attacks last year that embarrassed Germans, but also prompted huge demonstrations by hundreds of thousands of people throughout the nation to protest neo-Nazism.

The spokesman said the two rightists implicated each other in the attack.

GERMANS: Court to Decide

(Continued from page 1)

many must share international military burdens with its allies.

Turning to the high court, Mr. Kohl said in a television interview Friday, was "by no means a sign of weak leadership" but an attempt to resolve a dispute within his coalition.

While politicians have debated the issue endlessly, the German public appears to have grown accustomed to accepting new military responsibilities in post-Cold War Europe. Two years ago, large majorities of Germans told poll-takers that they opposed use of their military outside of its NATO obligations. Now, 53 percent of those surveyed by the Emnid polling firm approve German participation in enforcement of the flight-ban zone.

Germans make up about one-third of the crews of NATO's reconnaissance planes. Without the Germans, according to NATO's secretary-general, Manfred Wörner, the alliance would face a "very difficult situation."

When the sue-yourself compromise was agreed to last week, Foreign Minister Klaus Kinkel said: "I understand the difficulty some people have understanding all this. I have it, too."

On Friday, Mr. Kinkel was not

Mubarak Reports 'Confession' by Bombing Suspect

(Continued from page 1)

LONDON — A suspect in the World Trade Center bombing made "sensational confessions" before he was turned over to the U.S. authorities, President Hosni Mubarak of Egypt said in an interview published Friday. Mr. Mubarak said the suspect, Mahmud Abuhalima, told Egyptian interrogators "how the operation was carried out and of those who carried it out."

Asked whether Mr. Abuhalima implicated Muslim fundamentalists linked to Sheikh Omar Abdel Rahman, a preacher at a New Jersey mosque, Mr. Mubarak told the London-based Al Hayat newspaper: "It seems so. I don't want to go further than that."

Six people were killed and more than 1,000 were wounded in the bombing at the World Trade Center in New York on Feb. 26.

Mr. Mubarak said he was "not at liberty to disclose these confessions now because U.S. investigation into the bombing is still under way." Four other suspects are under arrest, including some who attended a New Jersey mosque where the sheikh often preached.

Yeltsin Leaves the Brass at Home

By Patrick Boyle

MOSCOW — President Boris N. Yeltsin is taking a strong political and economic team to his summit meeting with President Bill Clinton, but is leaving his defense minister and other top brass behind.

In both Soviet times and in post-Communist Russia, the presence of top military officials has nearly always been a feature of Moscow-Washington get-togethers.

But Russian officials, speaking on Friday before Mr. Yeltsin headed off to his weekend meeting with Mr. Clinton in Vancouver, British Columbia, denied the change was linked to Moscow's power struggle.

"The composition of the president's team reflects the agenda of the summit, which is expected to focus on economic problems," said a senior official who declined to be identified.

"Don't try to link it with political situation in the country," he added.

[The White House said Friday that no Pentagon officials would attend the summit meeting.]

In theory, Vice President Alexander V. Rutskoi stands in when the president is out of Russia, but relations between the two men are at their lowest point.

As he left the airport in Moscow on Friday night, Mr. Yeltsin said he was not giving up the reins of government, even temporarily.

"I have a telephone," he said before walking out to his plane. "I will not give up the handle on government." Like the nuclear button, he added, "it stays with me all the time."

The defense minister, General Pavel S. Grachev, who will stay in Russia, has consistently declared that the armed forces will remain politically neutral. But he threw his hand in with other members of the government in supporting Mr. Yeltsin's appeal for special powers to tackle Russia's problems.

Prime Minister Viktor S. Chernomyrdin will defend the government's free market policies in Mr. Yeltsin's absence. Other key Yeltsin allies staying in Moscow include Interior Minister Viktor F. Yerin and Security Minister Viktor P. Baranikov.

CLINTON: Dual Sense of Urgency and Foreboding

(Continued from page 1)

line toward a more open, democratic and free-market society that will not threaten the United States.

As Mr. Clinton said in his speech in Annapolis, Maryland, on Thursday: "If Russia were to revert to imperialism or were to plunge into chaos, we would need to reassess all our plans for defense savings."

And if that happens, said Representative John R. Kasich of Ohio, the ranking Republican on the House Budget Committee, "You're

going to throw the whole Clinton economic plan into a tailspin."

The aid package that Mr. Clinton will present to Mr. Yeltsin on Saturday is tailored to help keep Russia precisely on such an upward trend line. It focuses on grassroots programs that target support for key political groups — from army officers, to farmers to emerging capitalists — on the assumption that if enough of them can be given a stake in the free market, Russia will inevitably move in that direction — no matter who is in the Kremlin.

In trying to persuade Americans to support about \$1 billion in fresh foreign aid for Russia next year, Mr. Clinton has relied heavily on economic arguments.

When asked in an interview with CBS News last week why Americans should aid Russia, the first thing Mr. Clinton said was: "America needs good customers for its products, and Russia — a free Russia — with a free economy, would prefer to do business with America over any other country. Every year we have to be looking ahead to find more and more markets for our products, because if we get drawn into the global economy, we've got to sell more to other people to keep our incomes high."

Some analysts argue, though, that Mr. Clinton, in his zeal to persuade Americans to support foreign aid for Russia because it will be good business, or because reversion to a nondemocratic Russia will hurt the U.S. defense budget, is dangerously exaggerating.

"Clinton and his people are saying deceptive things that are going to come back to haunt them," said Stephen M. Meyer, an expert on the Russian military at the Massachusetts Institute of Technology. "The fact is Yeltsin is going to go someday, and probably soon, and when he does, it is not going to be a pretty sight, and even if he stays it may not be a pretty sight. And then the right-wing in our country is going to say to Clinton, 'Well, you said it, now we need more defense spending.'"

The fact is, said Mr. Meyer, that "if Stalin himself were to come back from the grave and return to power tomorrow," he would find that he could not pose any serious military threat to the United States.

The Russian military is, he said, in disarray. The Warsaw Pact military alliance is gone. Ukraine made off with the best of the Soviet Union's defense industries, land force equipment and strategic rocket forces and the Russian Navy has virtually stopped all ship repairs.

Mr. Meyer added that although Russia still has its nuclear arsenal, those are purely doomsday weapons that no Russian leader is likely to deploy.

"Clinton should not have to deceive the American people to give Russia aid," Mr. Meyer said.

That is not advice that Mr. Clinton is going to take, for part of his eagerness to put an aid package on the table and demonstrate that he is aggressively supporting Mr. Yeltsin, is also to inoculate himself from any future historical finger-pointing over "Who lost Russia?"

Which is a reminder that this summit meeting is not just about showing up Mr. Yeltsin, it is also about showcasing Mr. Clinton as a world leader. After months of hiding the fact that the president was dealing with foreign policy, while he tended to his domestic budget package, his aides now see high diplomacy as a political plus.

DEBT: Repayment Terms Eased

(Continued from page 1)

afford this year was \$3.5 billion. Creditors had been demanding more than \$5 billion.

Western leaders praised the agreement as a crucial step in helping provide Mr. Yeltsin with backing for his attempt to convert the failed Russia economy from central planning to a free-market system.

"Debt relief is one of the essential elements of any rescue package for Russian democracy and economic progress," Jacques Attali, president of the European Bank for Reconstruction and Development, based in London, said in an interview.

The U.S. Treasury secretary, Lloyd Bentsen, speaking in Baltimore, called the accord a "first step in a multilateral process to support forces of democracy and economic reform in Russia." The deal, Mr. Bentsen added, should provide Moscow with access to food credits and "support Russia's drive to a market-based economy."

But analysts pointed out that the package would have little practical effect on the immediate economic situation in Russia. "The Russians weren't paying anyway," said David Roche, chief European market strategist for Morgan Stanley International in London. "This is more an international accounting solution than anything else."

Meanwhile, Mr. Yeltsin and Mr. Clinton talked by telephone on Friday, the Russian Interfax news

agency reported, about plans for their meeting this weekend in Vancouver, British Columbia.

Mr. Clinton has promised to unveil at the summit a U.S. package of assistance, which is expected to call for more than \$500 million in additional bilateral foreign aid within the next few months. That would come on top of \$700 million Mr. Clinton has already asked Congress to approve for the next fiscal year.

Negotiations on rescheduling Moscow's foreign debt had dragged on for more than a year, blocked in part by a bitter fight between Russia and Ukraine over how to pay the debts of the former Soviet Union. Kiev has been demanding a share of Soviet assets, including space in 36 foreign embassies and part of the Black Sea merchant fleet, before repaying the 16.34 percent share of the debt it has agreed to shoulder.

The Russian debt agreement should help unlock new loans and credits for purchases from the West that Mr. Yeltsin has been seeking in an effort to bolster his cause in the power struggle with hard-line conservatives in the Congress of People's Deputies. Mr. Yeltsin will take his case to the Russian people in a referendum April 25.

CHILDREN: Loss Is a Banality

(Continued from page 1)

get our house back." Others have no stomach for fighting. Refija Guđric, a 14-year-old girl, was left to take care of her three younger brothers in a house in Srebrenica full of refugees.

"Our father died from a bullet," she said. "It was on Jan. 8. He brought us a sack of flour that night and left again. We heard he died a few hours later."

"Our mother left us 15 days later," she said. "She went to her parents' home and didn't tell us anything except to shut the door after her."

"When the shells fell, we just sat in the basement and waited," she said.

she went out for water behind her house in the village of Hrnčić.

"A shell exploded," the thin, blonde-haired girl said. "I didn't hear anything before it blew. There was a lot of dirt and dust, and shrapnel flew into the house. I saw how the blood was spilling out of me. But it didn't hurt much."

"They carried me to the hospital in Konjevic valley," she said, referring to a makeshift clinic. "They put me to sleep and took off my leg."

"My father took me from Konjevic valley to Srebrenica in a cart," she said. "It took us two days because we went very slowly. They bombarded us on the way, and some people died."

"It is good here now," she said, referring to the dank schoolhouse in a tent. "We've got new things to wear and food. But there is nothing to do, and all I can do is sit around."

"I think all the time about how it would be if this never happened to me," she said. "I don't know who is guilty."

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MAY 17	MAY 18
09.00 CHAIRMAN'S OPENING REMARKS Lee W. Huestner, Publisher, International Herald Tribune, Paris Harj Shankar Singhania, President, International Chamber of Commerce, and President, JKO Organization, New Delhi	08.45 THE GLOBAL SHIFT TO ASIA: THE IMPLICATIONS FOR INTERNATIONAL FINANCE, TECHNOLOGY AND THE WORLD ECONOMY Kenneth S. Courlis, First Vice President, Deutsche Bank Capital Markets (Asia) Ltd, Tokyo
09.15 HIGH TECHNOLOGY: WHO BENEFITS? Simon Murray, Group Managing Director, Hutchison Whampoa Ltd, Hong Kong	09.15 FINDING THE MONEY: THE ROLE OF GOVERNMENTS AND THE PRIVATE SECTOR Otho C. C. Lin, President, Industrial Technology Research Institute, Taipei John Strickland, Executive Director Services, HSBC Holdings plc, London Peter G. Wolff, Vice President, Asian Technology Research, Koller Peasbody & Co Inc, Tokyo
10.00 KEYNOTE ADDRESS Chris Patten, Governor of Hong Kong	10.30 Coffee
10.45 Coffee	11.00 CHINA: A MAJOR HI-TECH PLAYER IN THE 21st CENTURY? Zhu Lilian, Vice Chairman, State Science and Technology Commission, Beijing Lee S. Ting, Managing Director, North-East Asia Operations, Hewlett Packard Asia Pacific Ltd, Hong Kong Chien-Feng Wang, President, The Hong Kong University of Science & Technology
11.15 TECHNOLOGIES OF THE FUTURE: PICKING THE WINNERS Stan Shih, Chairman & Chief Executive Officer, Acer Inc, Taipei George White, Manager, Apple - ISS Research Center, Singapore Allen Wong, Chairman & Managing Director, V Tech Group of Companies, Hong Kong Senior Executive, AT&T, New Jersey	12.15 DEVELOPING COUNTRIES: THEIR PLACE IN THE MARKET Prof. Dr. B. J. Habibie, Minister for Research & Technology, Indonesia R. A. Mesthler, Director, National Chemical Laboratory, India Irwin Jay Robinson, President, Vietnam-American Chamber of Commerce, and Senior Partner, Phillips, Nizer, Benjamin, Krim & Ballou, New York
13.00 Lunch Guest Speaker: Noboru Hatakeyama, Vice-Minister for International Affairs, Ministry of International Trade & Industry, Japan	13.30 Lunch
15.00 CORPORATE ALLIANCES: MOTIVATION, RISKS AND REWARDS Yasuo Kato, Executive Vice President, NEC Corp, Tokyo Mike Monacchino, Senior Managing Director, Manufacturing & Development, IBM World Trade Asia/Pacific Group, Tokyo Tsuyoshi Kawarasaki, Senior Executive Vice President, Toshiba Corp, Tokyo	14.30 SATELLITES OVER ASIA: THE POLITICAL, SOCIAL AND ECONOMIC IMPLICATIONS Brent Harman, Group Chief Executive, Television New Zealand Ltd Julian Moomter, President & Chief Executive Officer, Star TV, Hong Kong
16.30 Tea	15.30 INNOVATION AND HIGH TECHNOLOGY IN ASIA: THE WAY AHEAD Tadaaki Chigusa, Director, McKinsey & Company Inc, Tokyo
16.45 CORPORATE ALLIANCES: MAKING THEM WORK Young Su Kim, Corporate Vice President, Samsung Electronics Co Ltd, Seoul Denny Ko, President, Taiwan Aerospace Corp, Taipei Mitsuo Ohtsuki, Executive Vice President, Fujitsu Ltd, Tokyo	16.00 Close of Conference
18.30 Cocktails	

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NEW YORK FASHION

Lauren Sees Red: From Bolsheviks To Babushkas

By Suzy Menkes International Herald Tribune

NEW YORK — In the bookstores, they are piling high the life of J. Edgar Hoover unfrocked. And on the runways the once evil empire is now the latest fashion. Ralph Lauren took Bolshevik Russia — all comrade caps, Red Square greatcoats and Cossack tunics — as the theme of his fall-winter show and made it seem exciting, original and right for modern times.

While President Bill Clinton was preparing his meeting with President Boris N. Yeltsin, Lauren was sending out swirling military maxi coats, with mock-Persian lamb lapels and serrated ranks of silver buttons. Even Russian revolutionaries were wittily transformed as women with earnest glasses and pretty faces in tailored tweed jackets with cuffed pants or long wine-red velvet skirts.

Why Russia? "It felt right — it's in the mood," said Lauren, who loped out in leather cowboy chaps to receive ecstatic applause. Whereas other designers have delved through history for fancy effects, Lauren looked at the clothes of another era and culture, absorbed their essence and their proportions — and updated them. From the Cossacks came luxurious simplicity: velvet tunics in winter-landscape colors of teal blue, berry red, pine green and rich earth brown. They were worn over stretch leggings and high boots.

The same tunics came in a raft of paisley-patterned chiffron with babushka head-scarves and beaded head-scarves and there were fringed folkloric shawls round the hips. And just when the Russian history lesson threatened to turn into a costume drama, Lauren reined in the fantasies and sent out plain dark dresses and layered tunics devoid of accessories. They were followed by dresses in cut velvet with rivulets of jet beads. The silhouettes were simple: the military coats; long tunic jackets fastened with frogging and worn with pants; elongated ankle-length vests. Fabrics mixed the rugged and the romantic with pebbly tweed, distressed leather and velvet. The effect of the show was a magical mix of history and modernity that made a stellar collection. Everything that was calm, con-



Anna Sui's quirky thrift-shop charm; Ralph Lauren's Russian look.



Moore/Thomas

vincing and sure about Lauren's collection was the opposite at Isaac Mizrahi's. The audience at his show was one wild scene, with Sandra Bernhard and Roseanne Arnold leaping from their seats at media microphones and Liza Minnelli drooling over the "soft and sexy fabrics." That meant lush Renaissance velvets patterned like tapestries the Borgias might have hung round their dining hall.

But who or what were these clothes for? The collection was a riot of confusion from which occasionally a comprehensible garment emerged — white stretch pants and a snow-crystal sparkly sweater under a cream wool coat. ("Anywhere but Aspen, please," read program notes that were wittier than the show). A big sweeping buckled raincoat, trim pantsuits with myriad buttons and shrug-on coats in camel and cream were sensible, even stolid. Yet the show opened with tacky-looking evening clothes that mixed different textures of

black — a stretch Luxe dress under a velvet cape or a Gloria Swanson gown, always worn with hold-up stockings.

Much of the show looked like embryonic ideas that never quite got to term: pumped-up fake fur sleeves on knits; skirts in dull beige burlap drooping like limp handkerchiefs under duver jackets; dresses with hems heaved up at the front and down at the back. When theatrical took over with the bold tapestry velvets, there was a sense of relief. The groupies cheered anything that moved.

And that is the problem at these New York shows. Everyone is desperate for a spark of creative imagination and talent, rather than the commercial clothes that dominate the runways.

Anna Sui's show was greeted with prolonged rapture, but she at least sent out a lively show of funky, funny, flea market looks from the inevitable velvet tailcoats on a Dickensian theme to cute smocked dresses inspired by Edwardian children. Porcelain faces, with painted cheeks and rosebud mouths like Victorian wax dolls completed the pretty picture.

with its attenuated layers of chemise tunic and crocheted vest over soft, pajama pants or long skirts in those eggplant and dusty colors redolent of the Biba boutique era. Vittadini's bathrobe cardigans, fringed tunics and sweater sets with evening skirts all made long, soft dressing palatable or even desirable.

ANNE Klein's collection was so long-drawn out that it was difficult to remember by the welcome ending that designer Louis Dell'Osio had done a reasonable job of translating current trends into wearable clothes. He did try some corny lines: making the same wrap-skirt thigh-short, knee and calf-length, which just reiterates the confusion most women are going to feel about hemlines in the fall. But outfits that worked well included pantsuits in boucle-tweed, ankle-length cardigans or side-buttoned tunics over pants, and snuggly chemise sweaters.

The trail through fashion's theme parks included apron dresses, see-through net skirts, tapestry prints (through as patterned georgette), poetic tunic blouses, another marathon of crushed velvet, and sexy evening transparency that is starting to look a bit too far.

Eva Chun's show was fine when she gave romance to simple clothes by making a pantsuit in whisky-brown velvet or floor-length coats in supple cashmere. But ankle-length skirts split at the back, a gold leather trench coat, a rattle of glass fringing and a chiffon dress with trailing train tried too hard to turn sleek sportswear into Fashion with a capital F.

ART

The Pope Who Transformed Rome

By Kate Singleton

ROME — Time, as we know, removes the acid smell from money. History may enable today's sponsors, transforming them into tomorrow's patrons. But the concept of patronage is vastly different today, and in democratic societies financial and political power do not always coincide. Democracy benefits, but not always town-planning.

Pope Sixtus V, who radically transfigured the image and the urban reality of Rome in the late 16th century, created a model that was soon to influence the Paris of Henry of Navarre and the Sun King, and would later help shape cities as distant as London and Berlin, or even Washington, the capital that was supposed to embody a new Rome and a new Versailles.

One might assume that enlightened oligarchies of the past had time on their side, no regular elections to oust them just as they were getting down to work. Not always. For Felice Peretti, this was not the case. Born in the Marche region in 1520, he became Pope Sixtus V in 1585, and died five years later, in 1590.

What can be done to shape and embellish a city in such a short time when there is a man of determination and insight at the helm is the subject of an exhibition at the Palazzo Venezia in Rome until the end of April. "Roma di Sixto Quinto" is a show that has attracted considerable attention, not so much on account of the aesthetic gratification it offers, but because the paintings, sculptures, books, manuscripts, and perhaps most of all the architectural models and drawings on display are bound to make you think.

So how did Sixtus V manage to do so much of lasting value in so little time? There seem to be three main factors. Firstly, he set out with a patrimony of cultural and religious convictions that must have simplified and accelerated all major decision-making. He was a rationalist who saw the city as a place of action rather than contemplation. He could thus do away with its "misshapen antiquities" and "useless ornaments that were needy and religious signs: the integration of the more imposing vestiges of the Classical past into the new

monuments to Christianity, for instance, or the grafting of Christian triumphs onto those of antiquity.

Secondly, he knew how to choose his collaborators. Foremost among these was the architect Domenico Fontana, on whose work the transition from the Renaissance to the Baroque city was firmly hinged. It was Fontana whose urban vision promoted the development of

opening up major new streets in the name of civic magnificence, and this called for substantial engineering skills.

Although the symbolic and ethical significance of the straight (but far from narrow) way was certainly part of Sixtus V's plan, the functional objective of that rectilinear grid was to repopulate a vast district contained within the Aurelian

properties implies remarkable co-ordination and management. And this is the third factor that contributed to the accomplishments of Sixtus V's pontificate.

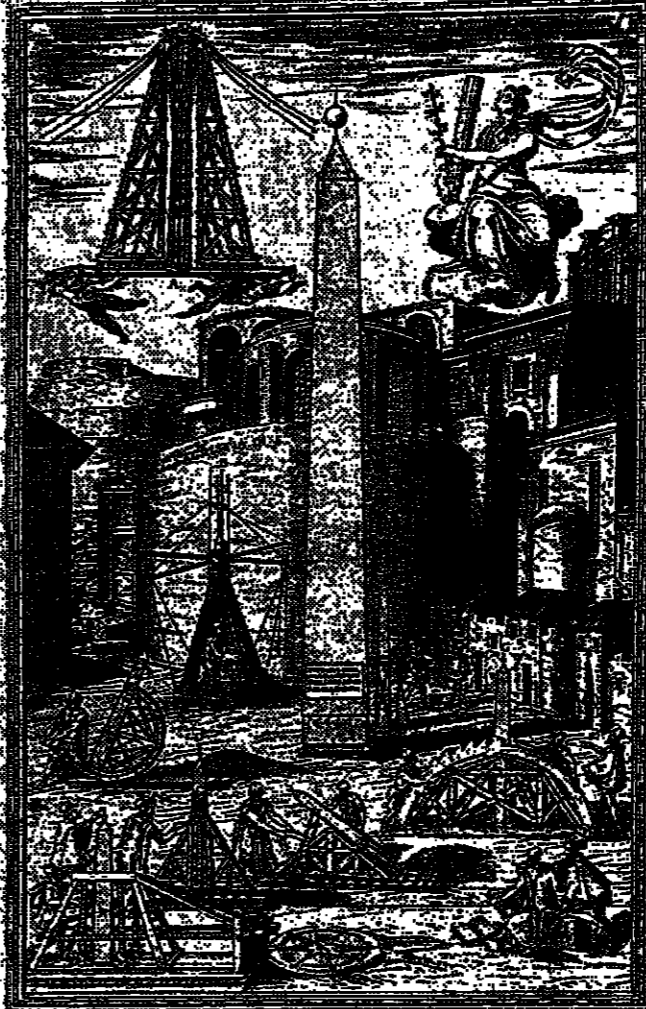
A further example, unquestionably closer to the papal heart, was the efficiency and speed with which the dome of St. Peter's was closed. The decision was made in January 1587. During the next 18 months the architect Giacomo Della Porta prepared the working drawings from Michelangelo's original design. Between July and August 1588, the attic was completed and building began on the cupola. In January 1589 the outer ribs were put in place and the scaffolding erected on the inside so that by July the more vertical part of the dome was ready.

Although work was slower on the rounded parts, within the space of three months the third iron belt that contained the weight of the curve could be built into the masonry. By December the last order of windows were being fitted, and on May 19, 1590, a festive liturgy was held to celebrate the closing of the eye on the inside. When Sixtus V died a few months later, this major undertaking was almost completed.

Doctrinaire and intransigent though Sixtus V may have been, the city he shaped cannot have appeared as a coldly rational coarsening to its 100,000 inhabitants. Indeed, Fontana deliberately strove to inform his architecture with an expressive function: hence the fountains, the decorative inscriptions, the sculptural elements. Even the painting of the period is both competently monumental and at the same time more intimately decorative.

And was there, on the part of Sixtus V, self-glorification in all of this? Of course. Popes must be men before they can become saints. The pedestals of Fontana's obelisks were embellished with celebratory inscriptions, and his buildings in their own right were a proclamation of papal bounty and wisdom: the inscription on the gleaming white marble portal of the Vatican Library, for instance, or the Acquedotto Felice (the reference is to the Pope's Christian name) on the Via Pia, to mention but two of myriad examples.

Kate Singleton lives in Italy and writes frequently on cultural affairs.



Study for transporting obelisk to St. Peter's Square.

chitecture designed to be seen from afar in a wide, sweeping perspective punctuated by columns, obelisks and fountains. Like Hansmann in Paris nearly 300 years later, Fontana saw the need for

Walls, then occupied by vineyards and villas, between the Quirinale, the Esquilino and the Lateran.

Successful repopulation with an astute mixture of artisans and landowners intent on improving their

The Contrariness of Richard Diebenkorn

By Christopher Knight Los Angeles Times Service

LOS ANGELES — Richard Diebenkorn wasn't the first important modernist painter to develop in California, but he was the first of the breed to gain an enduring national reputation for his art. His death from respiratory failure Tuesday, just three weeks shy of his 71st birthday, marks a turning point.

The abundant series of often large, airy abstractions called the "Ocean Park" paintings, which Diebenkorn began shortly after his 1966 move from San Francisco to the Santa Monica neighborhood that gave the series its name, was to seal his critical reputation. In them, aqueous veils of brushy and often limpid color are hung on a linear scaffold of drawing. The combination simultaneously evokes both the man-made infrastructure of a suburban landscape and the physical construction of wooden stretchers, canvas and color, from which a painting is assembled.

There's an understandable tendency to divide Diebenkorn's work into discrete periods: figurative juvenilia; the breakthrough to Abstract Expressionist pictures of the "Berkeley" and "Albuquerque" series in the late 1940s and early

1950s; the paintings of often solitary figures seated in interiors or posed before expansive landscapes from the mid-1950s to 1966; then, the second "return," this time back to abstraction, in the Ocean Park paintings.

Yet, these neat divisions can be misleading. A sense of duality, in which recognizable imagery and total abstraction both play a part, was a constant throughout his mature career. The designation of abstract or figurative is more a matter of shifting emphasis, from one body of work to the next.

The emphasis is certainly guided by an internal pictorial logic, for Diebenkorn was nothing if not a painter whose canvases accrued from a slow, deliberate accumulation of painterly marks and compositional decisions, of fused-over erasures and changes of heart. Among much else, each painting tells a narrative of its own making.

THE emphasis was also guided by larger questions, although not in the way that some have supposed. In both his figurative work of the 1950s and his abstract work from 1966 on, Diebenkorn painted against the grain of contemporary art. When Abstract Expressionism ruled the roost, he suddenly switched to straightforward depictions of people and landscapes. When Pop Art brought figurative images back into painting with full force, he switched over to abstraction.

There can be little doubt that Diebenkorn's contrariness was calculated — but not for careerist aims. After all, in the 1950s, when West Coast artists could claim more than regional celebrity? Any gifted painter with those ambitious pangs at the forefront of his mind would have long since decamped for New York. (Diebenkorn did live there briefly, but pretty much hated it.)

It's true that dumping abstract painting during a heavy moment of abstraction in order to be a figurative painter, and then becoming an abstract painter again during a ferocious moment of Pop imagery, would guarantee some notice. It keyed right into the mythology of "the independent Westerner" that the East Coast Establishment had nourished. Still, there's no indication that, even if it could be accomplished, such market-savvy maneuvering was Diebenkorn's aim.

Instead, the artist's seemingly dramatic shifts, guided by a firm foundation of aesthetic continuity, were a conscious means for shaking off complacency and self-deception. Clearly, it was among the most important lessons he had learned from his older friend and mentor in San Francisco, the painter David Park. Park, too, had been an abstract painter, caught up in the excitement and moral fervor of the Abstract Expressionist quest.

In 1949, Park abruptly drove to the city dump and deposited al-

most all his own abstract paintings. When he returned to his studio, Park suddenly began to paint the figure. "My God!" Diebenkorn is reported to have exclaimed. "What's happened to David?"

Thanks to abstract art, American painting was being taken seriously, for the first time ever, as a phenomenon of international significance. Imagine how inspiring it must have been for any American artist, anywhere. Why give it up?

BECAUSE, Park knew, Abstract Expressionism was the New York School. Despite its ties to San Francisco, through the teaching stints of Rothko, Still and others, Abstract Expressionism was an alien art, just like the School of Paris had been. His own painting could never be more than a well-made, regional variation on an imported style. So, Park took what he had learned from working in the Abstract Expressionist manner, and he turned it to radically new purposes.

Diebenkorn's startling shifts, including the subsequent abandonment of figurative upon his move to the thoroughly Pop environment of Los Angeles in 1966, were a periodic wake-up call he smartly placed to himself. For, with determination and skill, the painter forced his own nerve-racking reinvention. It's a lesson worth paying attention to.

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'The Calf-Bearer and the Kritios Boy Shortly After Exhumation,' circa 1865.

When Camera Extended The Limits of Perception

By John Russell
New York Times Service

NEW YORK — An event of cardinal importance in the museum world was the opening of a week ago of 'The Walking Dream: Photography's First Century' at the Metropolitan Museum.

This is the debut under its own flag of the museum's newly formed department of photography, and it deals on a grand scale with a period of 50 or 60 years in the second two-thirds of the 19th century during which the possibilities of human perception were extended beyond all expectation.

The more than 250 photographs in the show are lent from the collection — initiated nearly 20 years ago — of the Gilman Paper Co. in Manhattan. The brainchild of Howard Gilman, the current head of the company, the collection was formed with the cooperation of Pierre Apraxine, its curator. It bears at every point the mark of an original, resourceful and unprejudiced curiosity.

Gilman has been active in the preservation of endangered species, in the sustenance of the performing arts and in the acquisition of more than 5,000 photographs, many of which might otherwise have been lost or destroyed, as he says, "through incomprehension and neglect."

With the invention of photography 150 years ago, the potential of our life on earth was changed and enlarged forever. At virtually every moment in the day, right now, a photograph of one sort or another is setting us free from ignorance, uncertainty and forgetfulness. Without photography, we should see less, know less and feel less.

It is thanks largely to current scholarship that mid-19th-century photographs in their original state now exert a tremendous emotional power.

In the current show, at the Met through July 4 (after which it travels to Edinburgh and St. Petersburg), these early photographs — unfortified, unimpacted with and not remade in our own day — have kept their original fascination intact. It is brought home to us that in the early years of its existence the photograph had a poetic, a moral and almost a philosophical status. (At the International Exhibition of 1862 in London, photographs were ranked not as works of art but as "philosophical instruments.")

PHOTOGRAPHY at that time was the benchmark of thought and the lieutenant of social and political history. It brought the news from far places. It gave us a sense of human entanglements as complicated as any of those set before us by Ibsen or Flaubert, Melville or George Eliot. It taught us that certain practices long current — slavery, for one — were wrong and should be abolished. It also paid particular attention to current forms of sociability.

There was, in fact, a feeling in the air that no limits need be set to the possibilities of the new medium. Already in 1845, when William Henry Fox Talbot produced a complex image of fruit sellers offering their wares to the lord and lady in the garden of a 16th-century manor in Wiltshire, the result had a Chekhovian richness of sympathy.

In this and other areas, Talbot was both a polymath and a pioneer. It came naturally to him to make his pioneering cameraless photographs (as we would call them) of botanical subjects. But he was also busy with the study of the molecular structure of crystals. He made himself an authority on integral calculus. He propagated rare plants in his greenhouse and found

time to double as an etymologist, an Assyriologist and a physicist.

Photography in those days was not a hobby but a subdepartment of higher learning whose eventual application had yet to be fully explored. And it was a thing of paradox. It lived in time. It owed its very existence to time. But its object was also to annihilate time by arresting a fugitive moment, whether it was the sight of a hippopotamus lying motionless in the London Zoo or the aftermath of a lynching in Kentucky.

In Gilman's search for images that had survived, untraged by time, for 100 years and more, he made the best beginning when he engaged Apraxine as his curator. The moment was right for the exploration, before it was too late, of what Gilman calls the "submerged continent" of mid-19th-century photography.

It is clear from the show that Apraxine has the eye for quality that was needed. He also has a sense of the variety of feeling and intention that photographers of every stripe brought to the new medium. And, not least, he has made the most of the collegial feeling that exists among fellow enthusiasts in the United States and Europe.

Once inside the 20th century, the show cuts a wider and less sharply focused swath. It is not, and does not pretend to be, a concise history of photography. Many famous names are missing. Others are glimpsed, rather than present in depth. To some of the most striking photographs, no name has yet been set.

It is, for instance, for "Anonymous" that we owe the richly evocative glimpse of the Acropolis in the 1860s. This scene is in no way composed and has none of the attributes of high art. What it does have, on the other hand, is the sense of astonishment that people felt when they saw the Kritios Boy and the headless Athena on the left of the photograph can be seen in the "Greek Miracle" exhibition elsewhere in the Met.)

We are also reminded that it is not necessarily the famous photographer who brings home the irreplaceable image. The Hungarian photographer Rudolf Belogh (1879-1944) has not an immortal name, but when he photographed Vasil Nijinsky in Budapest in 1912, he brought off a tour de force unrivaled elsewhere.

Costumed and made up for his role in the "Spectre de la Rose," Nijinsky looks like what he is meant to be onstage — a rose in human shape (or as Apraxine puts it in the catalogue, a "senseless, leafy being, ephemeral and self-contained"). There is something almost miraculous about the way in which Belogh caught the nuances of makeup that made rose petals of Nijinsky's lips.

Toward the end of the show, photography merges with fine art, and sometimes with portraiture. It is the work, most often, of full-time professionals. The level of virtuosity is high, and the technology is close to perfection. But something of the high adventure of the pioneering days is necessarily lost.

We have come many a long mile from the salted paper prints made from paper negatives in the 1840s, and from the weighty, heartfelt and often ambiguous masterworks of the 1860s.

At almost every step on that road, something that is both true and eloquent is said in the catalogue by Maria Morris Hambourg, the curator in charge of the Met's department of photography. Winged phrases come thick and fast, and it is thanks to her, as well as to Gilman and Apraxine, that we have what she calls "privileged seats in the memory theater of the world."

Bloomsbury Landmark Under Threat

Restored HARLESTON FARMHOUSE, England — Behind the grey stone walls of this damp and draughty farmhouse is a collection of early-20th-century art. Murals, decorated doors and painted mantelpieces give the interior a remarkable atmosphere. Works by Picasso, Derain, Sickert and Manet adorn the rough walls. But the building, a Bloomsbury

landmark that was once the home of artist Vanessa Bell — the sister of Virginia Woolf — reopens after a winter break this week to an uncertain future. The house was renovated and opened to the public in 1986 with a limit of 15,000 visitors a year. Charleston gets no money from central government arts funding and nothing from the county council either. "Day to day life is a continual struggle. We're always on

a financial knife-edge and towards the end of this year we will rapidly be moving towards a situation of closure unless we find alternative funding," said Chris Naylor, director of a charitable trust set up in 1978 to restore and run the house. "The costs of running Charleston have only recently become clear," he added. "We have to spend between £25,000 and £30,000 (£36,000-\$45,000) a year just looking after the place."

Bringing Life to Ancient Egypt's Art

PARIS — When a culture is both admirable and remote, separated from our time by millennia and from our understanding by unfamiliar concepts, the sharply-focused approach is the soundest. In just 136 works of art and 38 years, the exhibition on Amenhotep the Sun Pharaoh at the Grand Palais does more to change prevalent ideas about the aesthetics of ancient Egypt than any previous show. Amenhotep III, who reigned from 1391 to 1353 B.C., is one of the most enigmatic figures of antiquity. He probably paved the way to the religious upheaval that was to break out under the reign of his son, Amenhotep IV, who took the

SOURLEN MELIKIAN

name Akhenaton, was to promote a religious trend with a marked mystical slant in which solar symbolism loomed large. Many facts remain unclear. Whether Amenhotep III and his son ruled as co-regents for some years is still the object of an unresolved debate.

Arielle P. Kozloff, the curator who initiated the exhibition at the Cleveland Museum of Art, and Betsy M. Bryan, who teaches Egyptian art and archaeology at Johns Hopkins University in Baltimore, have tried to compress as much as they could of the latest research into a catalogue packed with technicalities that few will read through. But the visual result of their selection is stunning, so stunning that it succeeds in blotting out the pedestrian design of the Paris presentation which, at times, verges on the ludicrous.

The first impression that the visitor receives is one of monumental strength, serene and aloof. It starts with two animal sculptures larger than life size that burst with energy in a puny space, but they are perched on pathetic-looking wooden pedestals painted black and dingy with shoe imprints. One is a gray granite ram in repose, its legs protectively folded on either side of a small standing Amenhotep III enveloped in a shroud. The animal beams with human expression of ineffable certainty. A few steps away, a reclining lion in pink granite turns its head to look at the viewer, one leg across the other. Here the human look suggests ironic defiance.

From these to the colossal pink granite head of Amenhotep III, 2.15 meters (7 feet) high, brought all the way from the Luxor Museum, the tempo rises. Never mind the sooty Art Deco black pedestal with recessed top on which it is perched — the pedestal emerges from the depths of a lower level to fit the huge black stone, like some Gulliverian work of art amid the dwarfs of Lilliput. What matters is the unforgettable look of unblissful glee as if the face smiled at some revelation suddenly grasped.

At that point, as he moves from one stone portrait of Amenhotep III to another, the art-lover begins to discover a diversity that few associate with this world of sterilized Egyptian figuration, timeless and spaceless. The next colossal head of the pharaoh, excavated from the same site, Kom el-Hettan, and brought to the British Museum in 1818, could not be more different. There is a softness about the features that is enhanced by the use that the sculptor has made of the grain of the stone. The sinuous streaks of the brown quartzite seem to be swirling around the face like wisps of ether and brown color. The effect is reminiscent of the handling of wood veins by Japanese Buddhist artists 2,500 years later.

Equally different from either the granite head from Luxor or the quartzite head in the British Museum is another quartzite head acquired by the Metropolitan Museum in 1956. Its imperious expression is toned down by the faintest suggestion of pouting youthfulness. As the gallery of por-



Quartzite bust of Amenhotep.

traits continues, the unsuspected aptitude of the ancient Egyptians at catching moods and nuances of expression behind the stylized masks becomes evident in a way that only a show focusing on the same period, the same school and, as here, on the same man's portrait, could bring out.

The aptitude at reconciling individual characterization in portraiture with a stylization that eliminates trivial naturalistic or anecdotal detail is the most astounding feature of this period of Egyptian art. The combination can result in a compelling presence, as with the cross-legged figure of the scribe Amenhotep from the Cairo Museum. The highest dignitary in the land, he oversees the carving of the Memnon colossal statues as well as of the colossal figure of Amenhotep III (of which the quartzite head in the British Museum is the only surviving part). The face bent down over the papyrus scroll unrolled on his lap has a look of brutal self-confidence. Like the scribe's sunning features, the inscription engraved on the scroll brooks no contradiction. It concludes: "My master accomplished in my favor a profitable deed: he had my statue set up in the temple of Amon because he knew it would exist for eternity."

As he moves away from official portraiture and religious representation, the Egyptian sculptor displays a freedom and gentleness, particularly in small-size figures, that is a thousand years ahead of its time. The ebony statue of a man

walking, borrowed from the collection of the Cleveland Museum of Art, is a far cry from "hieratic Egypt." Everything, from the head slightly bent forward to the droop of the shoulders and the soft folds of the loincloth, breathes of life. A smile of infinite subtlety plays on the man's lips. Small as it is, this is one of the great sculptures of the world.

So is the head of Queen Ty carved out of yellow wood preserved in the Agyptisches Museum in Berlin. Furrows begin to appear on the aging woman's face. The thick lips are drawn down at the corners and the feverish eyes are veiled by weariness. Slightly irregular, they stare with resigned dignity, lost in private thoughts, and yet piercing as clearly faces can be in the Middle East. In 9.5 centimeters, all is said about the human condition. Forget Greece and its bland naturalism. This is the art of modern times, surpassing anything in the Renaissance or the 17th century for introspective psychology.

Life throbs again in small-size animal sculpture. The running mastiff carved out of ivory from the Metropolitan Museum leaps with an irresistible élan, its muscles taut. Yet, the sleek figure retains a flowing movement. It is one of the masterpieces of animal carving in the second millennium B.C. If anything matches it, it is the small reclining gazelle cast in bronze, also from the Met. Legs folded, its tail curled up, and its head turned three-quarters down, it sniffs at some whiff in the air. The sensitive observation of life speaks of deep sympathy for the animal world.

THAT other face of Egyptian creativity, alongside public art, in animal and human figuration alike, is one of the great revelations of the show. Not that it was unknown as such — it simply gets overlooked in cluttered museum displays, so cogent is the mesmerizing pull of monumental sculpture. Precisely the same is true of the calligraphic strain in ancient Egyptian art, so rarely mentioned. It is hardly surprising in a culture that invented one of the earliest forms of writing devised by man. The so-called hieroglyphs are pictograms. They reduce living beings and inert forms to outlines used as signs.

These are often carved hollow on wall slabs around or near figural scenes in which the flowing outline is the predominant feature. This comes out vigorously in the fragment of a rock carving from Tura. Amenhotep III is performing ritual incense-burning to celebrate the reopening of limestone quarries in the second year of his reign (1369 B.C.). The same beveled line, deeply engraved, is used to render the siltstone seen sideways, and the hieroglyphs. Sleek low relief could also convey the same effect. Another fragment with the heads of two dignitaries bent forward is all about curves and strokes.

This feel for calligraphic abstraction could be argued to have readied an apex in the wavy patterns in yellow, dark blue and turquoise of glass vessels. These are among the remarkable objects of miniature size not to be overlooked. The Walters Art Gallery jar is particularly remarkable for its swift rhythmic lines. Other objects, like the Kohl tube of Queen Ty, from the Museo Egizio in Turin, done like a cylindrical column with blue glass-inlaid hieroglyphs on a ground that was originally yellow, are monuments of abstraction in which the sign reigns supreme. It is a pity that one or two of the extraordinary specimens of calligraphy in ink on fine fabric from the same museum, which display a feel for rhythm and tension worthy of Song China, could not travel abroad.

Even so, few exhibitions of Egyptian art in the past match this one for its insights into one of the greatest cultures of distant antiquity.

'Amenophis III, le Pharaon-Soleil' runs until May 31.

A grid of international phone numbers for Sprint Express service, listing countries like Australia, Austria, Bahamas, Barbados, Belgium, etc., with their respective area codes and phone numbers.

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Introducing country to country calling from Sprint Express. An easier way to connect with the U.S. or just about any other point on earth. And you don't even have to be a Sprint customer. All you have to do is tear out the Sprint Express country access numbers listed here. Dial the access number of the country you're in to connect with a Sprint operator, or to obtain additional country numbers. You can bill your call to your Sprint FONCARD, your U.S. local calling card, or collect to the U.S. No foreign operators. No unfamiliar currencies. No problems. Connect practically any two countries you like. It's just that easy with Sprint Express.

Table listing international phone numbers for Sprint Express service, organized by country and region. Includes a note: 'Listing subject to change. For current numbers, customer service or additional numbers call 1-800-877-1692 while in the U.S. or the Sprint Express Access Number of the country you're in. Bold denotes country to country calling availability.'



*Includes Hawaii, Alaska, Puerto Rico and U.S. Virgin Islands. **Wait for second tone. ***Available at most phones. □ Per minute access charge from all phones. □ From pay phones, push red button, wait for tone, then dial 224. * Eastern portion may require special code. Call local operator. □ FONCARD and collect calls only. □ Available at many phones only. □ FONCARD billing only. Use Global Calling "80" number and PIN (personal identification number). Global Calling rates apply. □ Ask local operator for Sprint Express operator.

NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
DISC	25.00	+0.15
WMT	15.00	+0.05
AMZN	10.00	+0.10
GOOG	5.00	+0.05
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
DISC	25.00	+0.15
WMT	15.00	+0.05
AMZN	10.00	+0.10
GOOG	5.00	+0.05

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GOOG	5.00	+0.05
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
DISC	25.00	+0.15
WMT	15.00	+0.05
AMZN	10.00	+0.10
GOOG	5.00	+0.05

Stock market news and analysis, including reports on market performance and investor sentiment.

Continuation of stock market news and analysis, covering various sectors and market trends.

Financial news and analysis, including reports on corporate earnings and economic indicators.

Continuation of financial news and analysis, focusing on market movements and economic data.

Global news and analysis, including reports on international events and diplomatic relations.

Continuation of global news and analysis, covering international trade and global economic trends.

Regional news and analysis, including reports on local events and community issues.

Continuation of regional news and analysis, focusing on local market conditions and social issues.

Special reports and features, including in-depth analysis of current events and industry trends.

Continuation of special reports and features, providing detailed insights into various topics.

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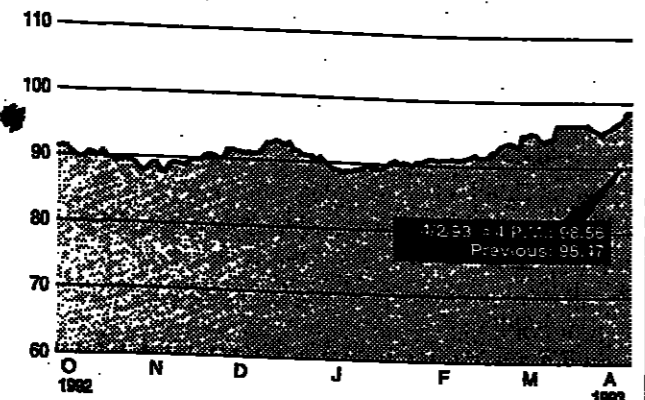


OMIC SCENE
Trade Candles
tem of Slow G



THE TRIB INDEX: 98.56

International Herald Tribune World Stock Index composed of 230 internationally investable stocks from 20 countries...



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland.

Table with 3 columns: Asia/Pacific, Europe, N. America. Includes sub-tables for Industrial Sectors like Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92251 Neuilly Cedex, France.

Opel Gets Order to Prevent VW Raids

By Ferdinand Protzman

BONN — Adam Opel AG was granted a temporary injunction Friday by a Frankfurt district court...

Friday's action escalated that conflict. The injunction will stay in effect until the judge issues a final ruling in the case, which could take months...

Can Italy Be Reinvented? As Old Order Falls, Some See a New Start

By Laura Colby

Italy's growing corruption scandals are creating payment bottlenecks and a cash crunch for Italian companies and keeping foreign investors away...

state-backed companies as clients, said this week that their institutions had refused loans to some companies involved in the scandals...

KLM Backing Merger Among European Lines

By Barbara Smit

AMSTERDAM — KLM Royal Dutch Airlines said Friday that it was seeking a merger with the three other European carriers with which it has been discussing an alliance...

revenue of about \$13 billion, aviation analysts said. Over the last weeks, 16 working groups have been investigating ways of setting up a close collaboration in a European Quality Alliance next year...

Philip Morris Stock: Down in Smoke

By Brandon Mitchener

NEW YORK — Philip Morris Cos. stunned Wall Street on Friday by saying it expected a sharp drop in earnings this year from its U.S. tobacco business...

would forego any price increases on its premium cigarette brands for the foreseeable future. Tobacco companies' stocks have been hit hard recently by fears that the government would impose high "sin taxes" on their products...

ECONOMIC SCENE

Free Trade Cannot Solve Problem of Slow Growth

By Alan Wheatley

PARIS — Trans-Atlantic trade spats and a vow by Jacques Chirac, the French Gaullist leader, to renegotiate farm-trade accords are concentrating minds on the economic threat of a drift into protectionism...

Hermès Stock Likely to Be A Luxury Item

By Brandon Mitchener

PARIS — Shares in Hermès International SCA, the French fashion house best known for sumptuous silk ties and scarves, will be launched on the Paris bourse's secondary market on June 3...

Daimler Shuffles Holdings

By Brandon Mitchener

FRANKFURT — Daimler-Benz AG, Germany's largest company, said Friday that it would merge with Mercedes AG Holding, its second-largest shareholder...

The company announced last week that it would become the first German company to issue shares on the New York Stock Exchange. Mercedes Holding was formed 17 years ago to prevent the possibility of a hostile foreign takeover...

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, Other Dollar Values, Forward Rates. Includes various financial data points and interest rates.

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Philip Morris Woes Batter Wall Street

NEW YORK — Wall Street stocks tumbled late Friday, depressed by bad news from Philip Morris Cos., weak employment data and rising bond yields.

The Dow Jones industrial average fell 68.63 points, to 3,370.81, while declining issues on the New York Stock Exchange outnumbered

advancers by more than a 4-to-1 ratio.

About half of the Dow's decline was caused by the fall in Philip Morris, which lost 14% to 49%. The company told analysts its tobacco earnings would fall about 40 percent after it cut the price of its Marlboro brand of cigarettes.

The plunge in Philip Morris combined with questions about the economy to depress the market. In the latest of a series of uninspiring numbers, the Labor Department said employment fell by 22,000 in March, keeping the unemployment rate stable at 7 percent. Some economists had expected a gain of 73,000 in nonfarm jobs.

Richard Hoey, chief economist and portfolio manager at Dreyfus Corp., said the report "confirmed the signs of cooling in the economy that we already saw from some other

data, including the purchasing managers survey and consumer confidence survey" released this week. Stocks were also responding to a drop in bond prices that was triggered by inflation fears. The 30-year Treasury bond yielded 7.05 percent, rising above 7 percent for the first time since late February. It ended at a 6.96 percent yield on Thursday.

The bond market was unnerfed by the March jobs report because it included a 5-cent increase, to \$10.80, in the adjusted average hourly earnings, which have increased at an annual rate of 4 percent this year. Wage increases account for about 60 percent of inflation.

Gold prices added to their recent gains on inflation fears, with the Commodity Exchange spot price up \$2.20 an ounce, to \$340.90. Philip Morris, the most-active New York Stock Exchange issue, was a bad influence on the tobacco sector. RJR Nabisco, which was second-most-active, slumped 14 to 65% and was followed by RJR preferred, which lost 1 to 8 percent.

Several major computer companies were hit in over-the-counter trading. Intel fell 4 to 107%. Microsoft dropped 3 1/2 to 89%. Apple shed 1 1/2 to 50% and Novell lost 1 1/2 to 30%.

Jobs in manufacturing, the retail trade and government fell by only 7,000 to 12,000. But a 60,000 gain in service jobs extended recent trends, with more than half hired in the field of "personal supply," which then farm then out as temporary workers.

Other possible weather-related declines were the shrinkage in the average manufacturing work week from 41.2 hours from 41.5 after several months of steady growth. Factories were stalled as officials blocked for several days in mid-March by heavy rains in the south and snowdrifts in the Northeast.

Foreign-exchange analysts see the dollar softening next week on weak U.S. fundamentals and technical factors. Knight-Ridder reported.

The dollar was also quoted at 1.478 Swiss francs, up from 1.476, and at 3.490 French francs, up from 3.405 francs.

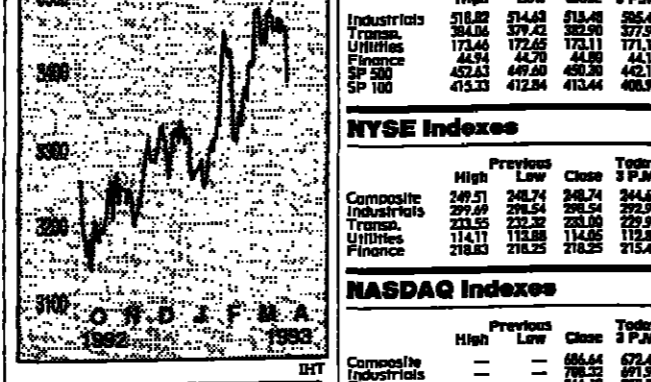
The British pound was at \$1.522, compared with \$1.530. In earlier London trading, the dollar was quoted at a 1.6048 DM ahead of the unemployment numbers, up from 1.5983 on Thursday.

The market largely discounted the report that showed the U.S. unemployment rate remained unchanged at 7 percent while non-farm payrolls dropped by 22,000 in March.

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The Dow

Daily averages of the Dow Jones Industrial Average



NYSE Most Active

Table listing NYSE Most Active stocks with columns for Volume, High, Low, Last, and Change.

AMEX Most Active

Table listing AMEX Most Active stocks with columns for Volume, High, Low, Last, and Change.

NYSE Diary

Table listing NYSE Diary with columns for Volume, High, Low, Last, and Change.

AMEX Diary

Table listing AMEX Diary with columns for Volume, High, Low, Last, and Change.

Previous NASDAQ Diary

Table listing Previous NASDAQ Diary with columns for Volume, High, Low, Last, and Change.

Market Sales

Table listing Market Sales with columns for Volume, High, Low, Last, and Change.

NYSE 100 Index Options

Table listing NYSE 100 Index Options with columns for Volume, High, Low, Last, and Change.

NYSE Odd-Lot Trading

Table listing NYSE Odd-Lot Trading with columns for Volume, High, Low, Last, and Change.

NYSE 100 Index Options

Table listing NYSE 100 Index Options with columns for Volume, High, Low, Last, and Change.

NYSE 100 Index Options

Table listing NYSE 100 Index Options with columns for Volume, High, Low, Last, and Change.

EUROPEAN FUTURES

Food

Table listing European Futures - Food with columns for High, Low, Prev, and Change.

Industrials

Table listing European Futures - Industrials with columns for High, Low, Prev, and Change.

Metals

Table listing European Futures - Metals with columns for High, Low, Prev, and Change.

Stock Indexes

Table listing European Futures - Stock Indexes with columns for High, Low, Prev, and Change.

Dividends

Table listing European Futures - Dividends with columns for High, Low, Prev, and Change.

U.S. FUTURES

Grains

Table listing U.S. Futures - Grains with columns for High, Low, Prev, and Change.

Metals

Table listing U.S. Futures - Metals with columns for High, Low, Prev, and Change.

Livestock

Table listing U.S. Futures - Livestock with columns for High, Low, Prev, and Change.

Food

Table listing U.S. Futures - Food with columns for High, Low, Prev, and Change.

Financial

Table listing U.S. Futures - Financial with columns for High, Low, Prev, and Change.

Stock Indexes

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Fed Sees Signs of Pickup in Lending

WASHINGTON (Knight-Ridder) — U.S. banks have shown "tentative" signs of increased lending in recent months and a slowdown in purchases of securities, a Federal Reserve Board member, John LaWare, said Friday.

In prepared text for testimony to a House banking subcommittee on credit formation, Mr. LaWare said he also expected banks to pick up lending as demand for credit rose. However, he added that there had been "little evidence" that banks were easing loan standards.

"The steps banks have taken in recent years to rebuild their balance sheets have been considerable and may well augur an increase in the availability of bank credit," Mr. LaWare said. "Banks are very liquid and lending rates relative to funding costs appear quite favorable."

Mr. LaWare said he expected the administration's recent efforts to increase lending to small businesses to succeed.

Ruling Lets Dean Witter Issue Visa

SALT LAKE CITY (AP) — A federal judge has refused to overturn a jury's decision to let Dean Witter, Discover & Co. issue a new Visa credit card. The ruling late Thursday, by U.S. District Judge Dee Benson, upholds a jury verdict in November that Visa USA violated federal antitrust laws. Dean Witter, once owned by Sears Roebuck & Co. but now a public company, sued Visa for refusing to let it issue Visa cards through a small Utah thrift it owns called Mountain West Financial.

A Visa spokesman, David Brannock, said that while the company had not reviewed the judge's 107-page decision, it would seek an appeal. Visa contends Discover is a direct competitor.

FCC Reverses Its Ruling on Reruns

WASHINGTON (NYT) — The Federal Communications Commission has reversed itself and said television networks should be allowed to own rerun rights to the prime-time shows they carry — a move that infuriated Hollywood producers.

In a long-sought victory for ABC, NBC and CBS, the FCC on Thursday reversed a decision it made two years ago and ruled that the networks should not be restricted from owning a financial stake in the programs they broadcast.

The FCC also set the stage for eliminating rules that limit the ability of networks to market actively the rerun rights to hits like "The Cosby Show" and "Roseanne." These syndication rights are typically the most profitable part of television production, and have generated hundreds of millions of dollars of revenue for especially successful shows like "MASH."

Stone Container Stock at 2-Year Low

NEW YORK (Bloomberg) — Stone Container Corp. stock plunged Friday to its lowest price in two years after the debt-laden company said it planned to raise \$800 million through stock and bond offerings.

Shares of the third-largest U.S. paper company were down \$3.50 at \$9.625. About 2.2 million shares were traded, more than five times the average daily trading in the past three months. Stone disclosed in a filing with the Securities and Exchange Commission that it would sell \$300 million in stock and \$300 million in bonds.

In Washington, a former employee of Michael R. Milken settled with the SEC on charges of aiding in a scheme to boost the price of Stone stock. Without admitting or denying any wrongdoing, Pamela Monzer, who was an assistant equities trader in Drexel Burnham Lambert's high-yield and convertible bond department, agreed to a permanent injunction.

For the Record

Columbia Gas System Inc. has been granted an extension, until July 23, of the exclusivity period for filing a reorganization plan by U.S. Bankruptcy Court.

Anheuser-Busch Inc. has announced a deal with Italy's largest brewer, Birra Peroni Industriale SpA, to sell Bud in Italy. Busch's export arm, Anheuser-Busch International, said the British brewer Courage would produce Bud, then ship it to Italy, where Peroni will bottle it. (UPI)

JOB: Unemployment Stuck at 7%

(Continued from page 1) inflation, and still below the 0.6 percent gain in November, when the third-quarter surge in growth began, only to taper off at the turn of the year.

The Labor Department warned that the March figures were heavily affected by the "Blizzard of the Century" that raked the East Coast last month and the heavy rains in California that ended a long West Coast drought.

Strong support for this was seen in a loss of 59,000 construction jobs, reversing February's sharp increase of 96,000 after several months of decline.

Jobs in manufacturing, the retail trade and government fell by only 7,000 to 12,000. But a 60,000 gain in service jobs extended recent trends, with more than half hired in the field of "personal supply," which then farm then out as temporary workers.

Other possible weather-related declines were the shrinkage in the average manufacturing work week from 41.2 hours from 41.5 after several months of steady growth. Factories were stalled as officials blocked for several days in mid-March by heavy rains in the south and snowdrifts in the Northeast.

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Tokyo Trade at 3-Year High

TOKYO — Japanese stock trading volume surged to its highest level in more than three years on Friday in hectic activity that was reminiscent of the "bubble" years of the late 1980s.

Turnover on the first section of the Tokyo Stock Exchange reached 1.6 billion shares, the highest since Nov. 29, 1989, when the Nikkei average of 225 leading stocks was at nearly twice its current level. The Nikkei rose 347.85 points Friday, or 1.82 percent, to 19,446.94.

The average rose more than 600 points last week, the latest leg of a four-week, 2,500-point rally fueled by Japanese individual investors and foreign fund managers.

WORLD STOCK MARKETS

Amsterdam

Table listing Amsterdam stock market data.

Helsinki

Table listing Helsinki stock market data.

Hong Kong

Table listing Hong Kong stock market data.

Brussels

Table listing Brussels stock market data.

Frankfurt

Table listing Frankfurt stock market data.

London

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Paris

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Sydney

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Tokyo

Table listing Tokyo stock market data.

Sao Paulo

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Singapore

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Zurich

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NYSE

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French Won't Cut Deficit This Year

PARIS — The new French conservative government will not attempt to reduce the budget deficit this year, the government spokesman, Nicolas Sarkozy, who is also budget minister, said on Friday after a cabinet meeting.

In their campaign, the conservatives had promised an effort to reduce the deficit, which grew rapidly in 1992 to 226.3 billion francs (\$42 billion), or 3.2 percent of gross domestic product.

As the deficit grew, however, there was also a record shortfall in tax receipts, of 120 billion francs. Since then, economic activity has slackened.

As a result, the government expects the deficit to total about 300 billion francs this year, nearly double the 163.4 billion francs forecast by the former Socialist administration in its finance bill.

The conservatives had criticized the Socialist administration of Prime Minister Pierre Bérégovoy for having allowed public spending to rise by 6 percent, instead of the 3.3 percent planned.

But observers said the new government now knew that it was impossible to make drastic cuts to reduce the deficit this year without slowing the economy.

Mr. Sarkozy said that he had been instructed by Prime Minister Edouard Balladur to prepare a mini-austerity budget before the end of April to save the equivalent of 20 billion francs, but that this measure would not help reduce the deficit.

The cost of servicing France's debt has risen to 170 billion francs for 1993 under the finance act introduced by the Socialists. That makes debt servicing the third-largest item in the budget, after education and defense.

In addition, Mr. Balladur has asked Economy Minister Edmond Alphandery to prepare a text to reform the statutes of the Bank of France and of the Caisse des Dépôts, a vast quasi-state savings and investment body. Mr. Alphandery has also been asked to prepare a privatization bill.

The prime minister said that in the economic field, negotiations under the General Agreement on Tariffs and Trade were the most urgent matter, and asked his foreign, external trade, European and agriculture ministers to prepare their views and proposals on the talks, Mr. Sarkozy said.

The prime minister will soon ask a group of experts from all political persuasions for measures to boost employment, Mr. Sarkozy said.

Seeking Cover in Germany Banks' Risk Provisions Chew Into Profits

By Brandon Mitchener
International Herald Tribune

FRANKFURT — Although Germany's biggest banks this week presented large profits for 1992, they had reason to blush.

Despite increases in earnings ranging from 7 to 32 percent, none of the five biggest banks announced a dividend increase, largely because of substantial, last-minute provisions against the ever-increasing risk of loans going bad.

Helmut Kopper, chairman of Deutsche Bank AG, Germany's biggest bank, even put risk management before profit in his statement Wednesday.

"In recent years the assumption of risks has taken on new dimensions," he said, citing interest rate and country risks but also an increasing risk from financial markets. "New risk-management tools, such as swaps, futures and options, while useful in limiting some risks, also produce risks of their own," Mr. Kopper said.

Both Deutsche and Dresdner Bank AG, the second-biggest bank, set aside a whopping 42 percent of their operating profits for the extraordinary account, which includes provisions for losses on loans to countries and companies.

In stark contrast to past years, when country risks posed the greatest danger, the largest item at Deutsche this time came from the bank's domestic loan portfolio, Mr. Kopper said. Provisions for loans to sovereign borrowers were actually reduced last year, he said.

Commerzbank AG, meanwhile, nearly doubled its write-downs and provisions, half of which, it said, were to cover country loans and half to cover credits in Germany and abroad.

The rising provisions are made necessary by soaring insolvencies both in the East and the West, which German banks did not see coming in realistic dimensions because they long refused to admit that the country was in a recession at all.

Deutsche Bank, for instance, waited until March 1 to predict that the West German economy was heading for a crash landing — months after independent economic institutes warned that economic trouble was coming.

Some 10,500 German companies went bankrupt last year, and many experts say the number will increase this year.

Shareholders were not the only ones dissatisfied with the flat dividend. The Frankfurter Allgemeine Zeitung said in an editorial that the way banks made loan provisions reduced their tax burden, cheating the state, and called for tighter controls.

"The public pays the bill for the mistakes of banks' lending policies," the newspaper said, pointing out that the portion of bank income that is used to make provisions against loan losses is not taxed.

"Since the banks are allowed to shift a large portion of the cost of their lending policies onto the public, the state must have the right to demand tighter controls on their management, as is the case with other companies," the newspaper said.

Deutsche Bank's write-downs and provisions last year increased 52 percent to 1.9 billion Deutsche marks (\$1.18 billion), Dresdner Bank's rose 19 percent to 1.4 billion DM and Bayerische Vereinsbank AG's rose 37 percent to 900,000 DM.

AIDS Study Hammers Wellcome's Stock Price

Bloomberg Business News

LONDON — Wellcome PLC shares slumped 12.5 percent to 650 pence (\$9.98) at one stage Friday after early results from a clinical trial showed HIV-positive patients did not improve their chances of avoiding AIDS by using Wellcome's Retrovir drug.

Wellcome steadied later in the session, settling at 680 pence, down 63 pence or 8.5 percent on active volume of 11.6 million shares.

Investors who bought shares last August at 800 pence each from the Wellcome Trust, which sold a total of 288 million shares, have few choices among drug stocks that might benefit from Wellcome's misfortune. "I don't see at the moment that there is anyone who's a clear winner," said Mark Brewer, analyst at Crédit Lyonnais Ltd. "There aren't any new products in late enough development that offer new concepts or alternative therapy" for patients who might contract acquired immune deficiency syndrome, he said.

That applies to British Bio-Technology Group's proposed vaccine for AIDS, p24-VLP, which began clinical trials in the United States late last year. Glaxo's 3TC compound for treating AIDS, to which some patients are showing resistance in early clinical trials; Bristol-Myers Squibb's Videx, and Roche's Hivid, which are being tested for use in combination with Retrovir.

As far as investors are concerned, "I can imagine them being annoyed" at the result of the Concord study, released in the April 3 edition of the medical journal *The Lancet*, said David Greenall, analyst at Smith New Court Securities.

Market	Index	Change
Frankfurt DAX	1,261.75	-125.50
London FTSE 100	2,868.00	-218.00
Paris CAC 40	1,896.57	-135.00
Amsterdam AEX	1,058.00	-107.00
Brussels SIBEX	1,212.00	-112.00
Madrid IBEX	1,212.00	-112.00
Stockholm OMX	1,212.00	-112.00
Zurich SMI	1,212.00	-112.00

Very briefly:

- The Czech koruna, previously tied to a basket of five currencies, will be pegged to the Deutsche mark and the U.S. dollar beginning next month.
- Union Bank of Switzerland is removing the name Phillips & Drew from its units that were linked to the brokerage concern of that name taken over five years ago.
- Nike Inc. will invest \$150 million in new European distribution centers.

Austria Faces Stagnation, Institutes Warn

VIENNA — Parliament held an emergency debate on Friday after Austria's leading research institutes published forecasts showing the economy would stagnate this year for the first time since 1981.

The Wifo Institute of Economic Research and the Institute of Higher Studies, which compile forecasts that give a basis for government policy, both slashed 1993 growth estimates to zero after predicting growth of more than 1 percent in December.

Austria, which pegs its schilling to the Deutsche mark and sends two-fifths of its exports to Germany, has been dragged down by its northern neighbor's sharp economic slowdown over the last few months, the institutes said.

Workers Stage Strikes Across Europe

BRUSSELS — Workers struck and demonstrated across the European Community on Friday in a wave of protests at the failure of governments to halt and reverse the steep rise in unemployment.

From London to Rome, workers put down their tools. Some were demonstrating anger at unemployment levels forecast to top 11 percent as an EC average this year and to keep rising into 1995 as economic growth grinds to a halt. Others halted work to demand higher pay.

In Italy, millions took part in stoppages and demonstrations to mark a day of protests against unemployment of 9.5 percent. Post-office and some other public-sector employees were striking all day.

A one-day strike by rail workers, worried that government plans to privatize the state rail network will mean compulsory layoffs, halted trains across Britain. In the country's worst day of industrial unrest for years, most coalminers and London bus drivers also went on strike for the day in protest against job and pay cuts.

Nearly 3 million Britons are out of work, around 10 percent of the work force.

East German metalworkers began a second day of wildcat strikes to protest against management's refusal to pay hefty wage rises promised two years ago. Angry that increases of more than 20 percent had not been paid on Thursday, thousands of workers streamed toward Rostock's shipyards at midday for the main demonstration.

Chancellor Helmut Kohl, who said he was not taking sides in the dispute, said he thought the unions should accept a reduced raise.

About 1,500 people marched through the center of Brussels to show their support for the day of action against unemployment in Europe organized by the European Trades Union Confederation.

The demonstrators were led by a giant Hoover vacuum cleaner, an allusion to the recent decision by the Maytag Corp. subsidiary to shift production from France to Scotland, where employment costs are lower. Meanwhile, 12,000 people also gathered in Strasbourg,

France, the seat of the European Parliament, in support of the day of action, while about 15,000 demonstrators turned up in the Dutch city of Maastricht, where the treaty mapping a single EC currency and the rigid budgetary discipline it entails was agreed upon by Community heads of state in December 1991.

In Spain, Seville garbage collectors went on strike, although a four-day action by Madrid sanitation workers ended. Union leaders called off the Madrid strike after being offered a 5.5 percent raise for 1993.

With EC economic growth forecast at just 0.8 percent this year, rising to only 1.8 percent in 1994, EC finance ministers are putting finishing touches to an economic plan launched at the Community summit in December.

Fokker's Profit Plummet 74%

Compiled by Our Staff From Dispatches

AMSTERDAM — The Dutch aircraft maker Fokker NV said Friday that net profit had fallen 74 percent in 1992 amid fierce competition and continuing recessionary conditions in its most important markets.

Net profit fell to 20 million guilders (\$11 million), from a restated 77 million guilders in 1991. The company will not pay a dividend for 1992, after it paid out 75 cents a share for 1991.

Earnings per share in 1992 totaled 0.59 guilder, down from 2.30 guilders a year earlier. Sales were 4.08 billion guilders, a 7 percent increase from 3.81 billion guilders in 1991.

Daimler-Benz AG announced Friday that its supervisory board has approved the acquisition of 51 percent of Fokker. Fokker and Daimler's aerospace division, Deutsche Aerospace AG, began takeover talks in February 1992.

In 1992, Fokker said, it placed 42 Fokker-100 aircraft with customers. Nineteen were sold direct to airlines and 23 were leased through the Irish leasing company GPA Fokker.

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NYSE

Friday's Closing
Tables include the national price up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	52 Wk High	52 Wk Low	Change
100	100	IBM	3.00	3.00	15	100	100	0
100	100	Microsoft	0	0	15	100	100	0
100	100	Apple	0	0	15	100	100	0
100	100	Oracle	0	0	15	100	100	0
100	100	Novell	0	0	15	100	100	0
100	100	Lotus	0	0	15	100	100	0
100	100	Intuit	0	0	15	100	100	0
100	100	Visa	0	0	15	100	100	0
100	100	MasterCard	0	0	15	100	100	0
100	100	Discover	0	0	15	100	100	0
100	100	Amex	0	0	15	100	100	0
100	100	Bank of America	0	0	15	100	100	0
100	100	Wells Fargo	0	0	15	100	100	0
100	100	Citigroup	0	0	15	100	100	0
100	100	JPMorgan	0	0	15	100	100	0
100	100	Goldman Sachs	0	0	15	100	100	0
100	100	Morgan Stanley	0	0	15	100	100	0
100	100	JP Morgan Chase	0	0	15	100	100	0
100	100	Bank of New York	0	0	15	100	100	0
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THE MONEY REPORT

Saturday-Sunday, April 5-6, 1993 Page 14

FIRST COLUMN Hope, Faith And a Dose Of Reality

IN France this week, as in America last November, the people voted for "real change," dumping the party in power. Just when it seemed safe to be cynical about politics again, hope is back in fashion. Look at how these events moved the markets: French stocks rose in the two weeks since it became clear the right would take charge of the National Assembly, and the franc is up against the dollar and Deutsche mark in the hope that stronger ties with Germany will restore momentum to plans for European monetary union. In the United States, the markets are three-for-three since the election, with stocks, bonds and the dollar rising in the belief that Bill Clinton can cut the federal deficit without cutting economic growth. Has the public, in both countries, sprouted faith in its new leaders so soon after disposing of the last batch? After all, the chronic unemployment, the meager or negative economic growth and other ills remain. And the means to deal with them are fewer than in past economic crises. A survey of American investors (summarized in Briefcase) suggests they know well what they're up against. About three-fourths say they plan to save more for retirement. Why? They fear the government will not have "adequate resources to meet the needs of its people" in the year 2000. Their misgivings have not stopped them, however, from committing money, at unprecedented rates, to the markets. They are investing in the same system they are trying to protect themselves from. It always takes a little faith to invest money, there being no sure things, as they say. But the best results come when hope is tethered to reason. The leap of faith needed to invest when reason might encourage standing aside can be very dangerous. Excess faith is usually dissipated in market corrections, or worse. The faithful lose heart and prices return to more realistic levels. This may happen when "real change" fails to materialize and the statesmen of today fall from grace. It is always possible that in this instance, reality can rise to meet expectations; that faith will be rewarded with manageable deficits, more jobs, currency stability, sustained growth. Hope so, anyway. C. de A.

Market Bears Growl That the End Is Nigh

By Conrad de Aenlle

IT CAN be lonely waiting for chickens to come home to roost, all the more so when their time away from the coop stretches on past five years. During that period, American stocks have doubled by many measures, trading just a hair under still a handful of high-profile, persistently gloomy investment advisers beaten up by the market's advance keep their vigil. While some of their compatriots have gone over to the bulls, they remain optimistic in their pessimism and patiently wait for the tunnel to appear at the end of the light. Because time is money, especially in the investment business, the wait can be costly. Over the last five years, subscribers who followed the advice of three prominent newsletters that have stubbornly maintained a bearish stance have substantially underperformed the market. By the accounting of Mark Hulbert, whose Hulbert Financial Digest tracks the performance of investment newsletters, the four equity portfolios of The Elliott Wave Theorist and Stockmarket Cycles showed returns ranging from a loss of 63.6 percent to a gain of 70.7 percent in the five years through 1992. During that period, the Wilshire 5,000 index, a very broad measure of the American stock market, gained 109 percent. The third advisory letter, The Overpriced Stock Service, which Mr. Hulbert has tracked for three years, shows a loss of 82.2 percent over that span, compared with a gain of 37.2 percent for the Wilshire 5,000. Those are miserable numbers, especially given the new highs being set in just about every major U.S. stock index, but the letter writers can still find something horrible to feel good about. "It's the best of times and the worst of times," said Michael Murphy, editor of The Overpriced Stock Service. "There are tremendous opportunities out there because there are so many overvalued stocks. This is an institutionally dominated market focused on momentum stocks," those driven higher by consistently stronger earnings. "If anyone has a [negative] earnings report, the market just shells the stock." He cited the health care and biotechnology groups as examples. Finding those groups that are priced higher than they have any right to be is what Mr. Murphy intends to do. He is not a market

timer and will not recommend stocks to buy when he thinks the market is near a bottom. "We represent diversification to a lot of people," he explained. "It's like gold; you expect to go down in a good [stock] market and cash in when the market goes down." Peter Eliades, editor of Stockmarket Cycles, notes that for all the hoopla accompanying the new highs, the market has not risen very far since the summer of 1987, when it hit a short-term peak and began a drop that took the Dow Jones industrial average down about 1,000 points in three months. "The interesting thing is if you look just at the Dow, we really haven't gone anywhere," he said. He confesses to being out of the market for all but a few brief (and profitable) periods since the post-crash low, but he points out that he got out before the crash, too, so basically it's a wash. "There's a big difference between a missed opportunity and being long in the stock market when it goes down." He added that he has recommended other trades from time to time that readers could profit by. For instance, a brief foray into gold funds was recently closed out with a 10 percent gain. Robert Prechter, editor of The Elliott Wave Theorist, also got out of the market before the crash. Since then, he has occasionally recommended positions for traders, usually short sales, and has encouraged less speculative investors to hold Treasury bills. Investors have shown a small five-year gain. Mr. Hulbert's figures show; traders have a substantial loss. David Allman, director of research for Elliott Wave International, which publishes Mr. Prechter's newsletter, does not dispute the numbers, but he notes that profitable calls were made for a number of other investment areas, such as real estate and Japanese shares. "People have been more hurt by being caught on the wrong side of the real estate market than have made money by staying in the stock market since 1987," he said. "If you only look at the U.S. stock market, it's like taking a look at one stock that an analyst picked out of a hundred. While we would certainly love to be perfect, we're quite content with what we've done." Staying away from the herd has been good to Mr. Prechter and Mr. Eliades in the past. They made names for themselves and earned enthusiastic followings by forecasting the 1980s bull market back in the late 1970s, when titles like "How to Cope With the Coming Financial Apocalypse" cluttered bookstore shelves. Each predicted moves to

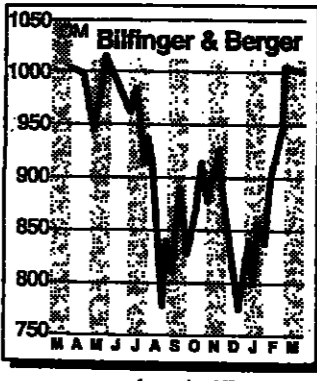
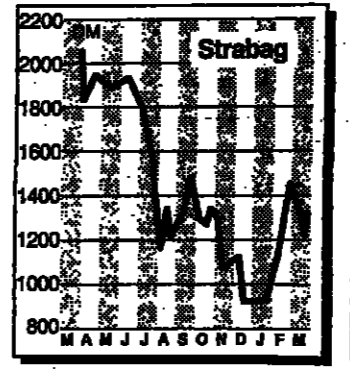
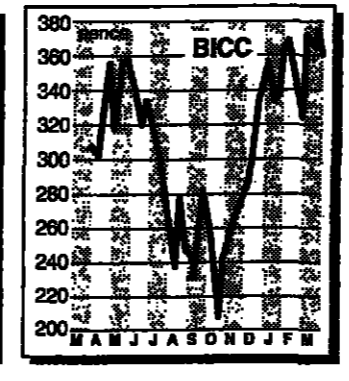
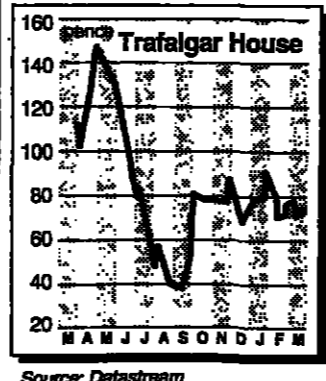
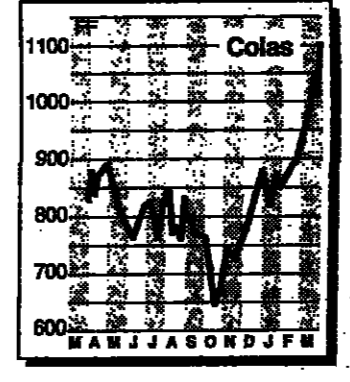
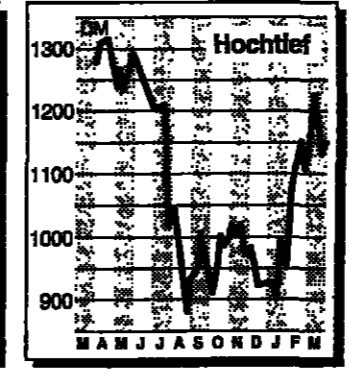


Source: Bloomberg

the middle to upper 3,000s on the Dow when it was well under 1,000. Since the crash, both have seen the market as far too risky for its potential reward and have been looking for a top that they say will usher in a bear market of the type not seen since the Great Depression. The Dow should fall back to 1,000 or less and take the economy with it, they insist. So insistent are they that their letters sometimes appear to cross the line from market theory to theology. The Jan. 4 edition of Stockmarket Cycles contained the headline: "The End Is Here!" It wasn't. Despite the errant pronouncement, Mr. Hulbert finds Mr. Prechter, whose Elliott wave theory is essentially a brand of sociology applied to financial markets, to be the more dogmatic analyst. "Eliades gives me the impression of being perfectly happy to change his mind at any time," Mr. Hulbert said. "Prechter has a longer-term forecast. He has gone on record

saying he's going to be bearish for the next several years. Eliades doesn't venture a forecast that long term. While he might not be wildly bullish six months from now, nothing in his writing says he couldn't be." Mr. Prechter, who was not available to be interviewed, believes a turning point has been passed in which the collective human mood, after being positive, expansive and progressive for two centuries, has begun to grow cautious, grim and reactionary. Mr. Allman ticks off a number of signs: economic contraction, xenophobia, protectionism. The markets will soon follow, they contend. Interesting philosophy, but is it good analysis? "It's important to know under what conditions you would change your mind," Mr. Hulbert said. "Anything in science can be falsified." Mr. Eliades admits to being a little unscientific himself at times, to occasionally trying to fit his data to his viewpoint, and not the other way around.

"There's a little bit of that in me... but there's less of that didactic side that says this is the way it's got to be." For now, though, he and the others maintain that a decline is all but certain. Mr. Murphy thinks the Dow has about 1,000 points to fall and could start doing it after the middle of April, when taxes are due and money stops flowing into retirement plans. For now, he said, "we're staying alive, trying not to lose too much money, waiting until the market goes down." In making such a forecast, he seems to be violating one of the analysts' commandments: Predict a price or a time, but not both. Mr. Eliades said he has done it himself. "If we made any mistake, it was that we were talking about long-term patterns and we should have given them longer to take place," he said. "Ultimately, this thing is going to break, and if market history has anything to do with it, it's going to break in a big way."



Source: Datastream

International Herald Tribune

European Contractors Build on Hopes

By Philip Crawford

HOPE springs eternal for the construction sector in Western Europe, but a few major contractors appear to have truly emerged from the recession-induced doldrums just yet. In Germany, the modernizing and rebuilding of properties in the East is helping the industry, as should the Bundesbank's apparent policy of gradually easing interest rates. In France, some analysts feel that the new rightist-dominated government will move to privatize state majority-owned companies, a policy that would benefit some major contractors. There is even a bright spot or two among construction concerns in Britain, where recession is proving perhaps the most difficult to shake. But despite the air of optimism, many analysts are remaining guarded, holding off on "buy" recommendations for all but a few of the major companies. One of the better bets, say market watchers, is Bilfinger & Berger Bau AG, which has reaped the fruits of German unification perhaps the most of major German contractors. In 1992, the company's output revenue (income from completed projects) grew 14 percent to about 6 billion Deutsche marks (\$3.75 billion), more than doubling, to about 920 million marks, in the former East Germany. "It's the business in the East that has enabled contractors in the West to hold their own amid the depressed German economy," said Frank Jonschat of Kleinwort Ben-

son Securities. "B & B has been a prime example of that. I think we can expect their East German output to exceed 1 billion marks for 1993. I rate it a 'buy'." Analysts appear divided on the prospects of Hochtief AG and Strabag Bau AG, the two other premier German contractors. Hochtief had a bright year in 1992, as evidenced by a 17 percent rise in output revenue to about 7.5 billion marks. Strabag had a strong 1992 as well, with total output up by 14.7 percent to 4.6 billion marks. Some experts foresee more good news in 1993. "I have 'buy' recommendations on both Hochtief and Strabag," said Roderick Hinkel, who covers European contractors for Hoare Govett in London. "Hochtief is an extremely well-run company and it has some very interesting contracts in the Eastern region, as well as in Asia and in Greece. I like Strabag partially due to its strong group of contracts in Eastern Germany." Other analysts, however, see Hochtief and Strabag as flagging a bit. "Hochtief had a good run in January and February, and I'm now rating them a short-term 'hold,'" said Mr. Jonschat of Kleinwort Benson. "Strabag is also a 'hold,' due partially to a weaker balance sheet than the other two. Also, Strabag's Austrian subsidiary is not looking strong for '93 or '94, nor are their affiliates in Hungary and Czechoslovakia."

In France, the two companies mentioned most by analysts are the state-controlled conglomerate Bouygues SA, and its separately traded subsidiary, Colas SA. Bouygues saw its output revenue drop nearly 5 percent to 61.5 billion

francs (\$11.2 billion) in 1992, but the company said recently that the year's net profit would nonetheless climb 7 percent to 680 million francs, provided no writeoff had to be made for losses on the Channel tunnel project. Bouygues is one of 10 companies working on the tunnel, whose construction has been beset by delays. "Bouygues typically derives about half its profits from contracting, and that area of its business looks pretty good," said Anita Hibbert, who tracks Bouygues for Smith New Court Securities in London. "One of their problem areas has been the property development side, where there have been some real disasters. I rate the shares a 'hold' just now, but that could be upgraded to a 'buy' soon, based on continued good prospects for the contracting sector." "We've got it rated 'hold,' but in a sense it's really anything but that," said Jeremy Withers-Creen, who follows the company for Credit Lyonnais Securities. "For one thing, we're waiting to see how the rights issue turns out. Also, while business in general, the U.K. market is very tight and margins are low. Contracts are being canceled. Over the next few months we'll be able to see whether it's really a 'sell' or a 'buy'."

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THE MONEY REPORT

IRS Makes It EZer for Expatriates

By Judith Rehak

NO ONE seems to come off well on the issue of Americans abroad paying U.S. taxes. The Internal Revenue Service has been severely criticized for collecting far less than its due. U.S. expatriates are often portrayed as tax dodgers living high on the hog. Well-intentioned experts are frustrated, if not defeated, by complicated filing procedures, threatening computerized notices that arrive long after their deadlines, and no easy way of obtaining information or relief when problems come up.

But the IRS has apparently concluded that more carrot than stick is the key to collecting taxes from expatriates, and getting them to file for exclusions, even when they may not owe a dime. This year, says Peg Connell, the head of international compliance, more help is on the way.

Simplified filing. You may get lucky and be able to use the new simplified 2555 EZ form. There are plenty of "ifs" to qualify, like earning less than \$70,000 annually, declaring no self-employment tax, foreign tax credit, and no business or moving expenses. But it is worth looking into. More details and forms are available at U.S. embassies and consulates.

Important changes in the \$70,000 exclusion. The biggest reason expatriates do not file tax returns is not dishonesty, but misunderstanding, says Curtis Behrman, the U.S. tax partner for Europe in KPMG Peat Marwick's Paris office. "People tend to know that if they make less than \$70,000 they don't have to pay U.S. taxes, but they don't know they have to file to get the exclusion," said Mr. Behrman.

The IRS has apparently come to the same conclusion. Until now, a U.S. expatriate had to file for the \$70,000 exclusion within one year of loss. That grace period has now been extended to two years beginning with your 1991 tax re-

turn. More significantly, if you come forward voluntarily, you can now get back "lost" years of exclusion. As further proof of its change of heart, the IRS says that even if it finds you first, you may still be able to get exclusion for past years.

More assistance on the scene. Doing your taxes without professional help can be a hassle in the United States, but it becomes a nightmare for expatriates, who have to struggle with a host of foreign tax credit calculations and other complicated requirements. To lend a hand (at no cost), the IRS has a small army of advisers now circulating among embassies and consulates in 149 cities, including Katmandu and Beijing.

Easier access to information about your account. One of the biggest stumbling blocks of the past is being alleviated by technology. Now you can talk with an adviser who is hooked up electronically with your tax records in Philadelphia's international tax center.

There are three ways to do this: You can phone or visit U.S. embassies and consulates in Bonn, London, Caracas, Mexico City, Paris and Tokyo, which are already online with Philadelphia, and have individuals who can help with corrections, time extensions, calculating interest payments, and possibly installment payments on delinquent taxes, said Ms. Connell. (They can even tell you if and when that eagerly awaited refund check was mailed.) This service is free, and more electronic links are in the works, for Rome, Singapore and Ottawa by April 15, and Sydney and Riyadh by the end of this year.

A second way to access account information is to call the international help line in Washington, D.C. (202-874-1460), which is also hooked into the Philadelphia center. Advisers are on call from 7:00 A.M.-5:30 P.M. EST. Here, you can get help with a variety of questions and problems, and may even be able to get lost refund checks

reissued. If your problem is especially complicated, this number will refer you to an individual who specializes in cutting through red tape.

A third method of getting help is related to the infamous computerized notices. Each notice lists a phone number at the Philadelphia center where you can make inquiries. "If one of our clients gets a late notice, or they don't know what it's about, you can actually speak to the person who pulls up the file on the screen and has the authority to give you more time," said Mr. Behrman.

Delinquent or impecunious taxpayers. "It seems to me that the IRS is much more willing to compromise," said Sanford Goldberg, an international tax lawyer in New York. "The code used to be strictly interpreted unless you were broke and couldn't pay, or there was a question of liability." Mr. Goldberg recently negotiated a settlement for an expatriate who had not paid U.S. taxes for 15 years. "They didn't look at my client as if he was a bad person," he added. Both Mr. Goldberg and Ms. Connell stressed that it is easier to cut a deal if you come forward voluntarily.

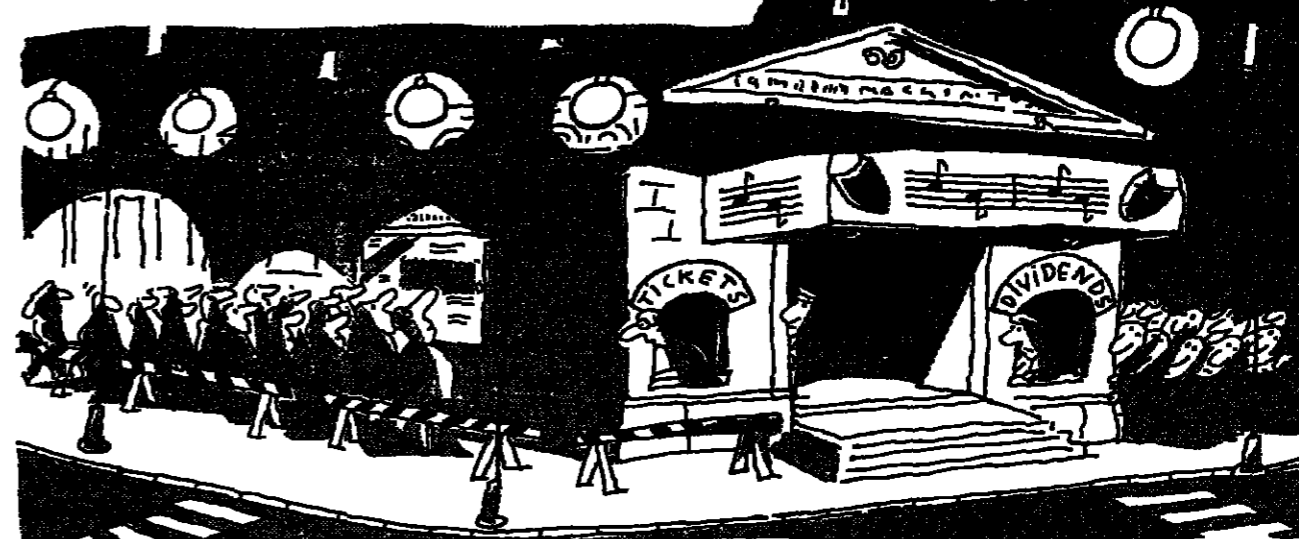
The IRS also says it wants to make life easier for expatriates who cannot come up with the cash to pay their tax bills. This year, you can apply for installment payments up to \$25,000 by filling out a simple form to be submitted with your tax return. (Call the embassy to get the form, but beware of interest charges, which are much like credit card payments.)

Lastly, the IRS is trying to clean up its much-maligned overseas mailing procedures. At one point, nearly half the tax packages, not to mention \$1 million in refunds in 1989, failed to reach their destinations because computers printed out incomplete addresses. The computer glitches are now ironed out, and the service jets its mailing overseas within 48 hours after they are addressed. "We're up to about 90 percent delivery now," said a spokesman.

IRS Tax Assistance Visits

- BELGIUM** Brussels April 1-8
- BRITAIN** London* France Paris*
- GERMANY** Bonn*
- ITALY** Milan May 18-28, Naples April 27-29 Rome* Palermo, April 20-23
- AUSTRALIA** Sydney*
- INDONESIA** Jakarta April 2-8
- JAPAN** Tokyo*
- NEW ZEALAND** Auckland April 20-21, Christchurch April 26-28, Wellington April 22-23
- PHILIPPINES** Manila Feb. 22-April 15
- SINGAPORE** Singapore*
- EGYPT** Cairo May 9-11
- KUWAIT** Kuwait City May 2-4

* Assistance available throughout the tax filing period at these permanent IRS overseas office locations.



London Angels Find Heaven in Musicals

By Aline Sullivan

THE London premiere in June of a new Andrew Lloyd Webber musical, "Sunset Boulevard," will be a nail-biting occasion, not only for the composer himself, but for any private investors who help back the production. Investing in British theater, never an enthusiasm of the faint-hearted, looks doubly dangerous in these recessionary times.

The returns can be huge, however. According to Nick Allot, a director at Cameron Mackintosh, the London-based theatrical producer of "Cats" and several other Lloyd Webber musicals, the 500 or so private investors who financed "Cats" have received returns on their original investment of about 200 percent a year since the production opened in May, 1981. "One of our investors insisted on putting his life savings of £10,000 into Cats," said Mr. Allot. "He has made £20,000 a year since then."

Most investors in theatrical productions will only break even, although their chances of making money are higher if they concentrate on musicals. Musical has become the industry's lifeblood. A report published on March 2 by the London-based Policy Studies Institute (PSI) found that attendance at plays in the West End theater district is up 25 percent from 10 years ago, despite a rise in ticket prices of more than double the rate of inflation. Excluding musicals, however, attendance dropped 25 percent over the same period.

"Much of the growth in revenues in recent years has been the result of the popularity of blockbuster modern musicals," said the PSI report. "This genre attracted 46 percent of attendance and generated 49 percent of box office revenues in 1987." Rewards are particularly disproportionate for Lloyd Webber musicals. Returns on "Les Miserables" are about 140 percent a year, while investors in "Phantom of the Opera" receive about 40 percent of their original investment each year, said Mr. Allot.

Some investors, who back plays at least partly for pleasure, use their money to help aspiring producers as well as veterans of the theater world. One way of investing in this manner is to contact the Society of West End Theater, which maintains a list of potential investors for the use of West End and provincial theater managers.

Eddie Jones, a retired London bookmaker, has been investing in West End productions since 1961. "For the first 20 years I lost money," he said. "But I didn't mind because I felt involved in the production: I went to parties and worried about the reviews." In recent years, Mr. Jones has focused his investments on productions by Cameron Mackintosh and Michael Codron, whose latest production, "The Importance of Being Earnest," debuted in London last month. He has made money every year since he adopted this strategy.

Backing big productions does not come cheap. Cameron Mackintosh, like other big producers, maintains three lists of investors, based on the amount of money they can afford to spend. Investors can participate in plays performed in London, New York or Sydney.

"Our hard-core investors, the 'A' list, have been with the company for about 20 years," said Mr. Allot. "We make sure that everyone on the list has a stake in just about every production." These investors must be able to prove that they are worth more than \$1 million and should be prepared to stake about \$25,000 on a single U.S. production, he said.

EC Nears Agreement on Measures to Protect Small Investors

By Aline Sullivan

CONFIDENCE, currently a scarce commodity among European investors, is likely to receive a boost on April 19, when European Community finance ministers are expected to reach an agreement on bank deposit guarantees and investor compensation.

EC Commission officials hope that Community-wide rules for deposit protection and for compensation if an investment firm collapses will encourage cross-border investment by small investors. Some observers are less optimistic, saying that government guarantees will only encourage bad lending and dubious investment practices.

Existing regulations vary widely in the EC. The British and Irish governments provide relatively high levels of compensation for investors in the event of an investment firm's collapse, although the

amounts are scant by U.S. standards. In Denmark, Spain and Portugal, there is no national legislation. Deposit guarantees for bank customers also differ. Some member

Some observers say that government guarantees will only encourage bad lending and dubious investment practices.

states provide virtually no protection for depositors in a failed bank. Others, notably Germany and Italy, provide high levels of compensation through either the public or private sector.

Both issues are being tackled by the EC Commission. Following the Investment Services Directive, which was agreed on in November by EC finance ministers and is expected to take effect in 1996, the

new rules are being developed to apply investor protection legislation of an investment firm's home country to all its clients, both at home and in other member states. Countries that have no investor

protection legislation at present would be encouraged to enact it. A separate proposal will set a 15,000 Ecu (\$18,000) minimum level of deposit protection for bank customers across the EC. This is the more controversial piece of legislation. Germany, which has a generous private system of deposit guarantees, sees the proposed changes as unnecessary.

Alan Beverley, an official at the securities and stock exchange division of the EC Commission and a member of the team working on investor protection legislation, said he expects more cross-border investment as a result of the Investment Services Directive and new rules on deposit and investor protection.

"Member states want to see an investment protection directive in place," said Mr. Beverley. "Most members have legislation in place already but this should have a role in improving investor confidence in European markets."

In sharp contrast, James Cornish, German market strategist at County NatWest Securities in London, argues that deposit protection guarantees may end up diminishing, rather than encouraging, investor confidence. "It is bad for the investor and bad for the banking system to have a system of deposit protection because it encourages some banks to lead in a riskier fashion," said Mr.

Cornish. "Look at the U.S. savings and loans industry." The problems of the U.S. savings and loans and the resulting exposure of the U.S. government through its federal deposit insurance arrangements have been well documented. "The whole collapse might never have happened if the guarantee that the depositors would get their money back," said Mr. Cornish.

The issue becomes all the more complicated when investments made by an individual in one country are handled by a firm based in another country. If the investment firm's home state has no investor protection program, the foreign investor may not be able to obtain compensation, even if the investor's own country possesses such a plan.

In the absence of an investor protection plan, whether publicly or privately managed, the people who have entrusted money to an investment company that files for bankruptcy must wait in line like all the company's other creditors. It may take months or even years for them to recover any of their money. A Europe-wide network of investor protection plans would offer them prompt compensation. The minimum level of compensation that such plans should offer is still a matter for debate. But it is unlikely to be lower than the 15,000 Ecu recommended by the Commission in its proposal on bank depositor protection.

The main aim of such an agreement, which would probably have to be enshrined in an EC directive, would be to protect the smaller private investors. It is not yet clear whether bigger, institutional investors would be entitled to claim.

The collapse of banks or investment firms in the EC is rare and EC officials expected the incidence to decrease as capital adequacy and other regulations are tightened. "These new rules were conceived of

BRIEFCASE

Vanguard Drops a Fund Fee But Adds Redemption Charge

Fees are coming and going for shareholders of Vanguard mutual funds. Vanguard announced that it was waiving the custodial fee of \$10 per fund for holders of retirement accounts with total assets above \$50,000. The company at the same time said it was imposing a redemption fee of 1 percent on its High-Yield Corporate Portfolio. The fee, which applies to shares exchanged into other Vanguard funds, as well as those sold for cash, will only be imposed for shares held less than one year. Investors who owned shares in the junk bond fund before March 31 will not be subject to the new charge. The fee, Vanguard said in a statement, "is designed to discourage the excessive transaction activity of short-term investors and will be paid to the portfolio to offset such transaction costs that may occur."

U.S. Mutual Funds Register Dip in Monthly Cash Flow

Cash flow into American mutual funds subsided in February, while net sales of British unit trusts had their second-best showing in more than five years during the same month, according to figures compiled by industry groups in the two countries.

U.S. Poll Shows the Young Boost Retirement Savings

Young Americans don't think Social Security is all that secure. In a survey done by the Gallup organization, 74 percent of those responding, including four out of five who were under 40 years old, said they were willing to cut back on personal spending to save more for retirement. More than three-fifths of respondents said they would like to put away at least \$1,000 a year more for retirement, including nearly half who listed a figure from \$2,000 to \$5,000. Some of them are actually putting their strategy into practice; just over a third of those surveyed said they were setting aside more money for their retirement this year than last.

Newsletter-Touted Stocks Perform Well, Survey Finds

Do stocks recommended most by advisory services outperform the market? The services will be happy to know that they do, but just barely, according to one study. The Halbert Financial Digest, a newsletter that follows the performance of advisory letters, tracked the prices of those stocks recommended by the most newsletters in each month since November 1980. One month out, the average price of the most frequently touted stocks rose by 1.21 percent, compared with 1.16 percent for the broad-based Wilshire 5,000 index. The narrow outperformance continued for a full year, the Halbert study found, with gains of 16.37 percent for the stocks versus 15.72 percent for the Wilshire.

U.S. Poll Shows the Young Boost Retirement Savings

The net flow of new money into U.S. funds was \$19.4 billion in February, the last month for which the Investment Company Institute had data. That was off 7 percent from January's number but still ahead of the record pace of 1992. The decline was entirely in equity funds, where cash flow fell to \$8.7 billion from \$10.2 billion. The corresponding figure for bond funds held steady at \$10.7 billion. In Britain, meanwhile, net sales of unit trusts totaled \$590.7 million in February, or just over \$880 million, the Unit Trust Association reported. That was a 16 percent improvement over January. Total sales of £1.33 billion were the best in more than five years, the UTA said.

U.S. Poll Shows the Young Boost Retirement Savings

The heightened emphasis on savings reflects a growing lack of faith in the government-run retirement system. Seventy percent of the 1,000 people who answered the telephone survey, which was done for the fund company Fidelity Investments, agreed

U.S. Poll Shows the Young Boost Retirement Savings

with the statement: "The government will not have adequate resources to meet the needs of its people in the year 2000." That's up from 57 percent who agreed in a similar survey done three years ago. Other concerns that grew in the three years include health care costs, which have risen sharply, and inflation, which has actually fallen.

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SPORTS BASKETBALL

One 'Expert's' Final Four Theory

Tar Heels and Wildcats Win on Rebounds and Turnovers

By John Feinstein
Washington Post Service

NEW ORLEANS — This is the Final Four, where everyone has a theory.

All the so-called experts are hedging. "If Kentucky shoots the ball, if Michigan comes to play; if North Carolina dominates on the boards; if Kansas gets brilliant play from its guards," and so on.

There's no clear-cut favorite because there are no great teams. Each team has clearly definable strengths and weaknesses and the question is which team will best use its strengths.

When all the theorizing is done, winning comes down to two simple statistics: rebounds and turnovers. You can always make the case that if one team shoots 79 percent (Villanova, 1985) or another shoots 9 percent for an entire half (Kentucky, 1984), those numbers will have direct bearing on the outcome. More often, Final Four teams will shoot somewhere between 38 and 53 percent. The question, then, is who gets the most shots. And that is where turnovers and rebounding become critical.

Game One is the mirror matchup: North Carolina vs. Kansas. Dean Smith vs. Roy Williams; Coach vs. Pupil. Both teams have size and depth and outstanding guards. Both are experienced and each has players who have been through this before (1991), when the two schools met in the famous semifinal in which Smith got himself tossed by the referee with 38 seconds to go in the Jayhawks' victory.

Smith will be around for the finish this time and he should also be around Monday night. Here's why: Kansas is one of the few teams that has the size to match up with Carolina inside. In 6-10 (2.08-meter) Eric Panley and 7-2 Greg Ostertag, the Jayhawks have two players who are at least physically comparable to 7-foot Eric Montross and 7-foot Kevin Salvadori. Neither is anywhere close to Montross as a player but at least they can use all of their 10 fouls and bang Montross around in the process.

The point-guard matchup should also be a wash since both are brilliant. Adonis Jordan of Kansas is a better scorer than Derrick Phelps of North Carolina but Phelps is a better defender and should keep Jordan from running amok. The shooting guards are both mercurial. Don-

ald Williams of the Tar Heels and Rex Walters of Kansas.

The difference in the teams may come down to one player: George Lynch. For once, this is a Carolina senior who doesn't need the usual El Deano hype. The best word to describe Lynch is warrior. He is not a great shooter, doesn't overwhelm anyone with his strength or his speed but he figures out how to win. Whenever the Tar Heels really need a rebound or a steal, Lynch seems to be the guy who gets it. Kansas doesn't have anyone with such a portfolio.

Can Kansas win? Absolutely. If Williams has

years and has won a national title, but nobody thinks he can coach.

Now, matched with Rick Pitino, he has a chance to quiet some of the nay-sayers. Here's what Fisher needs to do: although he should start his defensive stopper, Ray Jackson on Mashburn, he needs to rotate defenders onto Mashburn throughout the game. Williams did that effectively to Calbert Cheaney against Indiana, using four different Jayhawks on him, and Fisher would be well-advised to do the same to Mashburn.

As for 5-9 Travis Ford, the point guard/3-point machine, Fisher should take just the opposite approach. Jimmy King should be told to begin guarding him during warmups and not stop until the Kentucky bus pulls away from the Superdome. Mark this down: Jalen Rose can't guard Ford. Rose doesn't do defense. The next time he fights through a screen will be the first, and the Wildcats screen constantly for Ford. King has the mentality to guard Ford and Fisher would be well-advised to take a look at what Derrick Phelps did to Nick Van Exel last Sunday, when Smith told him to forget the rest of the game and just guard the streak-shooting Cincinnati guard.

Played straight up, Mashburn and Ford will dominate Michigan the way they have dominated everyone else in the tournament. Fisher has the difficult task of convincing the Wolverines that they must adjust to an opponent of comparable talent. If he does that, Michigan can win the game, as long as the other guys remember to guard Jared Prickett and Dale Brown and Rodrick Rhodes. If those guys beat you, fine; you take your ball and go home. But you can't allow Mashburn and Ford to beat you because you were too stubborn to give them the special attention they deserve.

Fisher will push the right buttons because he is, in fact, a good coach. So too is Pitino, though not as good as he believes or as his disciples believe, simply because no one has ever been that good. Kentucky will win because Michigan will turn the ball over too many times against the Wildcats' trap and because you can't learn to box out in a week and the Wolverines haven't boxed out all year.

Turnovers and rebounds will decide. North Carolina and Kentucky will win.

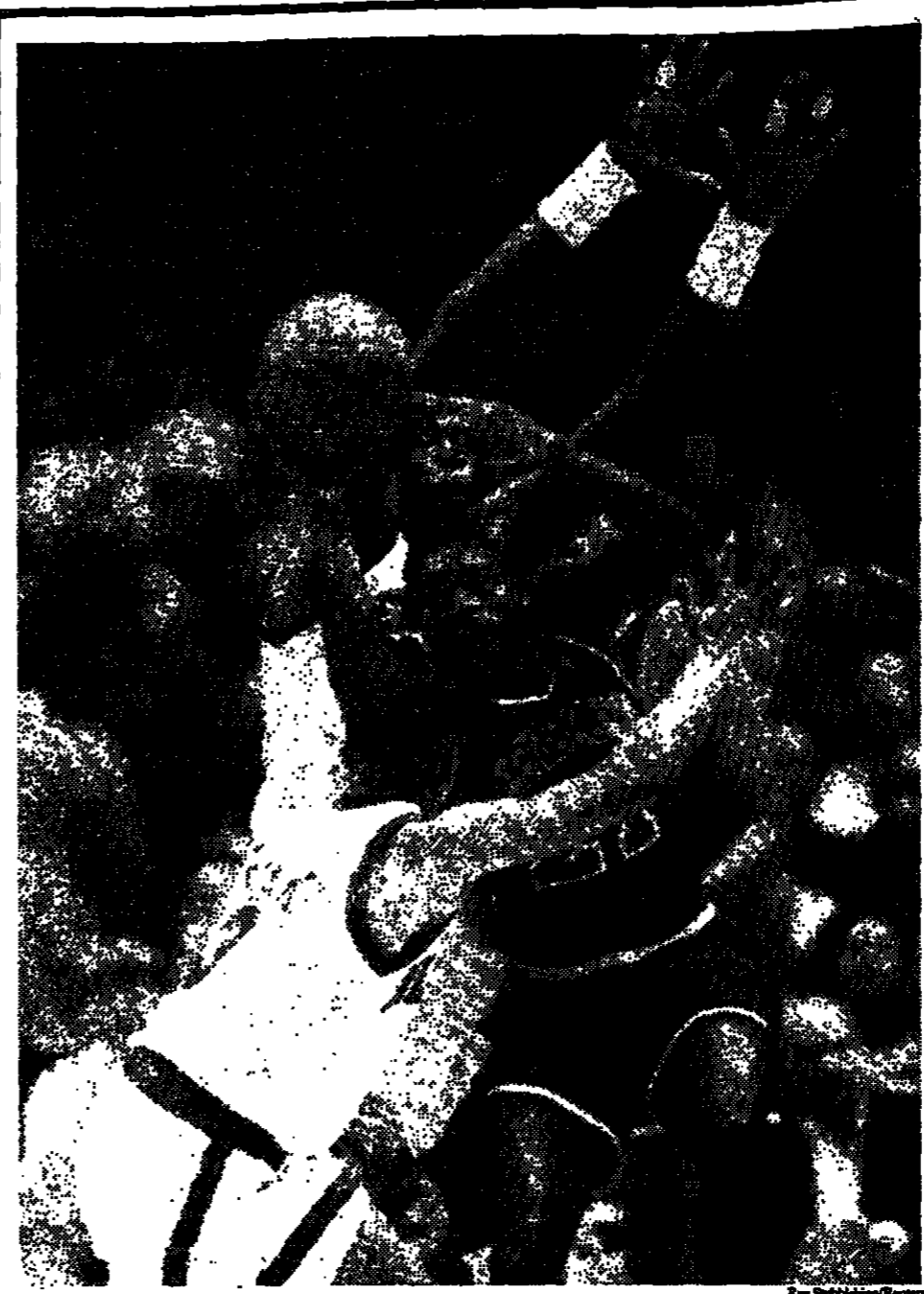
There's no clear-cut favorite because there are no great teams. Each has clearly definable strengths and weaknesses; the question is which team will best use its strengths.

an off day shooting the ball or if Montross gets into foul trouble, the Tar Heels are vulnerable.

The second game involves two teams as striking in their contrasts as the teams in the first are similar. Kentucky is everyone's favorite right now, having swept through the Southeast Region. It seems as if the Wildcats haven't missed a 3-point shot since January, and Jamal Mashburn looks more and more like the No. 1 pick in the National Basketball Association draft.

The dominating play of the Wildcats puts Michigan's Fab Five into a role they are decidedly unfamiliar with: underdog. And with good reason. The Wolverines haven't played a solid 40 minutes yet. The fact they are here is a tribute to their extraordinary ability.

They aren't likely to be foolish enough to show up Saturday expecting a stroll to the final. But they are going to have to do something they aren't accustomed to if they are to have a chance in this game: listen to their coach, Steve Fisher. He has been to three Final Fours in five



Trapped by New York's Patrick Ewing and John Starks, the Cavaliers' Gerald Wilkins searched for help. Ewing had 30 points and 12 rebounds as the Knicks won their 15th straight at home.

Ex-Mobster Cites Rise in Gang Links To Boxing

WASHINGTON — Organized-crime leaders are hungry to share in the earnings of successful prize fighters, and that is drawing them deeper into boxing, according to the former under boss of New York's Gambino mob family.

"The money is in purses, not in betting," Salvatore (Sammy the Bull) Gravano said at a hearing on boxing corruption held by the Senate Permanent Subcommittee on Investigations.

"Because the size of purses has gotten so big," Gravano added, "organized crime is more and more interested in getting back into it."

Gravano, 47, once the No. 2 man in the Gambino family, is now a federal prisoner on government informant. He helped federal prosecutors convict John Gotti, boss of the Gambino family.

The hearing Thursday was the fourth in a series that began in August, two months after Senator William V. Roth Jr., Republican of Delaware, introduced legislation that would create a federal boxing commission to develop uniform minimum standards for the sport. How, Gravano was asked, could the government discourage organized crime from getting involved in boxing?

"Make the purses very small," he replied.

What would organized crime do about a fighter who tried to walk away from his mob handlers? "Traditionally, we give them a hard time," he said. "We're not very fond of walking away."

Gravano said that Alfred Cerullo, who under the name Al Cerullo manages the former WBC welterweight champion James (Buddy) McGirt, was a Gambino associate. McGirt lost his title on March 6 to Pernell Whitaker.

Cerullo angrily denied the charge when he testified later.

"He's the gangster here," Cerullo said of Gravano. "He's the one who knows everything. I've never seen this guy around boxing in my life."

"Gambino, gambino," he yelled. "I've never heard of these guys."

But Cerullo said that Stuart Weiner, McGirt's co-manager, had introduced him to Joseph (Jo Jo) Corozzo, identified by law enforcement officials as a "Gambino soldier."

Weiner, also called to testify, invoked his Fifth Amendment protection against self-incrimination six times in declining to answer questions about his alleged mob ties.

McGirt said he knew nothing about allegations that his handlers were involved with organized crime.

In a statement, the subcommittee reported that organized crime figures were associated with at least two other prominent boxers: Robert Cuyz, the WBA cruiserweight champion, and Iran Barkley, the former IBF super-middleweight champion.

(AP, WP)

Rick Pitino's Run-and-Fun NCAA Show

By Thomas George
New York Times Service

LEXINGTON, Kentucky — Rick Pitino remembers playing point guard for St. Dominic's High School in Oyster Bay, New York, in the late 1960s in a different style of game in a different time. Pitino recalled that players there did not ask their coaches why they simply did as they were told.

And Pitino described that style of methodical basketball in two words: frustrating, boring.

"Believe me, I learned the fundamentals of the game and got a solid start in basketball back then, but I knew that as the point guard, shooting was pretty much out of the question," said Pitino, now coach of the Kentucky Wildcats team that opposes Michigan on Saturday night in the National Collegiate Athletic Association tournament semifinals.

"The point guard was the passer, the distributor, and if I got 4 points I would be lucky," he added. "I got my first coaching job when I was 24, at Boston University, and at that age how much experience could you have? But one thing I knew: I wanted to play the game the way the players wanted to play it, to make it fun. To me that meant up and down, full court."

As a head coach, he took that style to Providence, the New York Knicks and then Kentucky.

In its quest to reach Monday night's championship game, Kentucky will pressure Michigan baseline to baseline, sideline to sideline and hope that the Wolverines' turnovers flow. This Kentucky team is a throwback to the Georgetown team of Patrick Ewing, which used to play the game for 40 minutes with constant, full-court defensive pressure. Fewer college teams employ that tactic extensively in today's game, and Kentucky is the only Final Four team that will play it for 40 minutes.

Most teams do not have the depth to use full-court pressure so frequently; others do not have the discipline and others do not have the conditioning to endure.

Kentucky has mastered each of those traits.

"There is no such thing as getting tired on this team," said the Wildcats' sophomore center, Andre Riddick. "You just go till you drop, and then you go some more."

"We love it," guard Travis Ford said. "It's something that creates havoc for other teams. And it always keeps us active and on our toes."

It also keeps opponents on their heels.

In 33 games this season, the Kentucky offense has committed 325 turnovers and its defense has forced 604. That is not such good news for Michigan, which in 34 games has committed 531 turnovers and forced 498.

"I like the full-court pressure because it creates a lot of offense for the players," Pitino said. "Georgetown in the mid-'80s was the master of the full-court press. You see the Chicago Bulls in the NBA use it well. And I have not seen a team that used a half-court, high trap better than Cincinnati did this year."

"We have three different types of full-court pressure and we use them all throughout the course of a game," he added. "At half time, we look to see which one is working best and seek to improve the others."

Pitino said that earlier in the season his team practiced regularly for three hours, but now sessions last about an hour and a half. He said that ensured his team entered this tournament with fresh legs.

Kentucky plays on offense much as it does on defense, tossing caution to the wind and tossing 3-point shots with regularity. Kentucky is vibrant. It plays with no fear. And Pitino said his shooters were so

No O'Neal, No Playoffs for Magic

The Associated Press

Shaquille O'Neal's ill-advised punch has helped knock the Orlando Magic out of the eighth playoff spot in the Eastern Conference.

The rookie center served a one-game suspension on Thursday night as Orlando was at home to Charlotte, and the Hornets took advantage of the absence of an intimidator for a 102-93 victory.

The Magic (33-35) dropped a half-game behind Indiana (34-35) for the eighth and final spot.

"With Shaquille or without Shaquille, we came out ready to play," said Hornets guard Muggsy Bogues. "We knew this was a big game."

O'Neal was suspended Wednesday for fighting with Detroit's Alvin Robertson on Tuesday night.

With backups Greg Kite and Brian Williams defending him, Charlotte center Alonzo Mourning had 30 points, nine rebounds and three blocked shots.

Orlando particularly felt O'Neal's absence on the defensive end as the Hornets drove the

lane without fear of having their shots blocked.

Mourning made 17 of 21 shots from the field, while Larry Johnson had 22 points and 15 rebounds.

NBA HIGHLIGHTS

bounds for Charlotte. The Hornets made 17 of 20 free throws in the fourth quarter.

Knicks 91, Cavaliers 83: New York (49-20) opened a one game lead over Chicago (48-21) in the race for the homecourt advantage through the Eastern Conference playoffs.

The Knicks held the Cavaliers to their second straight poor offensive performance in winning their 15th straight at home. They held Cleveland to 42.5 percent from the floor and a season-low 32 first-half points.

Cleveland's leading scorer, Mark Price and Brad Daugherty, were held to 10 points each.

Patrick Ewing led New York with 30 points and 12 rebounds, while John Starks added 22 points and 11 assists.

Nets 95, Heat 88: In East

Rutherford, New Jersey, Chris Morris scored all 15 of his points in the second quarter as New Jersey turned a 2-point lead into a 59-43 margin at intermission.

Derrick Coleman had 21 points and 10 rebounds for New Jersey, whose bench outscored the Heat, 49-17.

Rockets 121, Bucks 115: In Houston, the Rockets got seven free throws from Vernon Maxwell in the final four minutes to hold off the Bucks.

Hakeem Olajuwon scored 24 points and Maxwell had 21 as the Rockets increased their lead over San Antonio to 1 1/2 games in the Midwest Division.

Kings 117, Bullets 97: In Washington, Spud Webb scored 18 of his game-high 27 points in the second half as Sacramento won its first road game in more than a month.

"This is a great win for us," Sacramento's coach, Gerry St. Jean, said. "Both teams were undermanned tonight, but it was still a good win, a great road win for us, because we have been struggling lately."

DENNIS THE MENACE



"THE WILSON CALLED ME A COOGE FASTER. HE KICKED ME OFF HIS SPREAD!"

JUMBLE

Use the letters to form words. Use each letter only once.

- TANGE
- GEALL
- INOLEY
- LIMFAY

Print answer here: _____

Answers: CHANT LUNGE BOUNCE CALLEY

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CALVIN AND HOBBES



WIZARD OF ID



REX MORGAN



GARFIELD



SPORTS HORSE RACING

The 150th Grand National: 40 Horses and a Great British Tradition

By Ian Thomson
International Herald Tribune

LIVERPOOL—On Saturday, the British will pay more attention to the struggle of 40 horses than they do to the rest of the world. The television ratings will be high, the millions of pounds staked on each horse will be high, and the millions of pounds staked on each horse will be high, and the millions of pounds staked on each horse will be high.

So depressed are Britain's economy and institutions that half the population says it would leave England were it possible. But then along comes one of the most British traditions, the 150th running of the Grand National, when 60,000 people will squeeze themselves inside the race spaces of Aintree Race Course to witness their national pride.

In many ways the race serves its public better than Wimbledon, which rarely gives Britons reason to cheer on their own. The Grand National may be an international priority sponsored by the French cognac maker Martell, and it may be televised around the world, but it has not yet sold off the seat of these islands. Horses bred in Ireland or Britain have won 19 of the last 20 races.

The race is run twice around Aintree's grass course, covering 4 1/4 miles (7.2 kilometers) and 30 obstacles, which

are dressed with shaggy spruce. Horses seem to reach their peak stamina for the Grand National at age 9, which happens to be the age of Party Politics, who is attempting to become only the second back-to-back champion since Reynolds Town in the 1930s. But the outcome is unpredictable. Only nine favorites have won this century, and none have done so in 10 years. Four have won at 100-to-1, most recently Foinaven in 1967.

The occasion gets them all nervous and they sweat up," said Hywel Davies, whose eight Grand National rides include a victory with Last Suspense in 1985. "You get some characters out there. Like Red Rum. Red Rum never won anything except for the National. The race raised his level."

Red Rum, the three-time champion, is perhaps more hallowed in Britain than was Secretariat in the United States. His statue on the Aintree grounds depicts him in full stride, while on the track on Saturday he will lead the famous parade of horses. At 28, he still travels, opening supermarkets and making celebrity appearances once every fortnight, although normal two-day trips are now extended to a third day, in deference to his age.

His achievement of three firsts and a pair of seconds from 1973 to 1977 is most appreciated by anyone who has attempted to follow the same path.

"There's nothing like approaching a Grand National fence," Davies said. "The horses approach the fence differently. The first time they prick their ears and wonder about it. The fences look different; they've got a different smell to them. You can smell the fir, the spruce. The fences are full of

Red Rum, the three-time champion, is perhaps more hallowed in Britain than was Secretariat in the United States.

all that fresh stuff they put on them, which makes it different from the birch fences we're used to in Britain."

All but three of the obstacles have recently been rebuilt. The new core of the fences is a vertical, free-standing mixture of woods, including willow, and race officials claim that it is stiffer. Davies and others contend that the old thorn-wood fences were harder.

The greatest symbol of modern Aintree is the refurbished

Becher's Brook, named for the spot in 1839 where Captain Becher lost the lead, as well as his mount. Until 1991, horses huddled a 4-foot-10-inch (1.47-meter) barrier, only to be greeted on the other side by a brook rising from a depth of 5 feet, 6 inches. Immense injuries and deaths were suffered by horses surmised by the lower, sloped landing.

On the one hand a horseman could not applaud the havoc of Becher's, but when the race was done its winner revelled in the accomplishment of vaulting the Brook twice under the harshest conditions. In 1928, only two of the 42 horses completed the race; only nine of 40 finished as recently as 1988. The moral conflict was altered three years ago when the Brook was filled in and an apron was built leading up to the softened wall. Last year, 22 horses finished, one short of the record.

The owner-trainer John Upton claims that he would not have entered his favored Zeta's Lad a few years ago, when the Grand National was "too cruel." Zeta's Lad, by the way, has been waggered from 25-to-1 to the 7-to-1 favorite in part because the horse is named after the British actress Catherine Zeta-Jones.

"It used to be I'd get to Becher's and say, 'Oh [expletive], here we go,'" said Davies, who has finished only two

of his eight Grand Nationals. "But then I went around Thursday and when we came to it I said, 'Oh, here's Becher's.' They probably think it's safer, and I'm not complaining. It makes my job easier. But it's not the same. It takes away from it slightly—the danger of it, and what you've achieved to win it. Now there are 40 starters and 22 finishing? That's not right."

Said Aintree's chairman, Peter Greenall: "Becher's was modified for reasons of safety and this has been universally accepted as a good move. But to gallop 4 1/4 miles and to clear 30 of the most daunting obstacles in the world still remains the greatest thrill and challenge. It is our policy to make sure this remains the case."

The sturdy, dependable hunters of yesterday have been replaced by meticulously trained thoroughbreds. Party Politics appears to be a mutation of both worlds. He is the largest horse in training, with the strength to outlast most challengers. Yet two operations failed to improve breathing problems that were exacerbated by his remarkable pace.

This year, a hole was punctured in his throat. On Saturday, his gold cap will be removed, and Party Politics will breathe through that hole. The horsemen refer to the procedure as a "tubing." Party Politics looks to the world like a lifelong smoker.

SIDELINES

Roma's Caniggia Tied to Drug Test

ROME (Combined Dispatches)—The Argentine forward Claudio Caniggia was reportedly the player on the Italian Cup finalist AS Roma who failed a cocaine test after an Italian league game last month, the Italian media said Friday. Caniggia denied that he had taken a drug.

AS Roma said Thursday that one of its two players who were tested after the March 21 1-1 draw with Napoli had a positive drug result. The club did not say who tested positive but it identified the two players who were tested as Caniggia and Thomas Helmer. Italian news reports identified the player who tested positive as Caniggia, 26, a regular member of the Argentine national team. But the sports daily Gazzetta dello Sport quoted Caniggia as saying Friday: "I did not take any drug. It's the worst moment in my life but I'll never quit soccer."

The Italian soccer federation said it would release the player's identity after a second test, which is scheduled for Tuesday. A positive test for cocaine is punishable by a suspension of one or two years in Italy.

(AP, Reuters)

Tomba Upset in Italian Giant Slalom

SANTA CATERINA VALFURVA, Italy (AP)—Extending a streak of upsets, the Olympic champion Alberto Tomba on Friday lost his men's giant slalom title at the Italian Alpine Ski Championships to an underdog skier, Gerhard Koenigsgruber.

Tomba, a big loser in the world championships in Japan and on the World Cup circuit, missed his seventh national title as he trailed the winner by 0.57 seconds after two runs to finish second. Koenigsgruber, 25, who had torn ligaments of both knees in a bad spill four years ago and who returned to action this season, clocked a winning aggregate of 2:50.84 minutes.

Lewis to Put Long-Jump on Hold

RALEIGH, North Carolina (Reuters)—Carl Lewis is to put his long-jumping aside this week and concentrate exclusively on sprinting, according to his coach, Tom Tellez.

"That's the plan, just to run," Tellez said on Thursday in a telephone interview from Austin, Texas, where Lewis was to compete in the 4x100 and 4x400 relays during the weekend at the Texas Relays. Lewis, 31, the 100-meter world record-holder, made Olympic history in Barcelona last year by winning his third consecutive gold medal in the long jump. He also anchored the U.S. team to a world record in the 4x100-meter relay.

2 More Skaters Seek Comebacks

COLORADO SPRINGS, Colorado (Reuters)—The former world champion Elaine Zayak and the two-time U.S. champion Christopher Bowman have signed a growing list of professional figure skaters who have applied for reinstatement to be eligible for international competition, U.S. officials said.

The U.S. Figure Skating Association said it had received the skaters' reinstatement applications. The body also said it had received an official application from Brian Boitano, the 1988 Olympic gold medalist, who earlier this week had announced his intention to return to international competition. The sport's international governing body passed a new rule last year allowing skaters that had turned professional to be reinstated for international competition.

For the Record

Muhammad Ali is to tour black townships in South Africa from April 10 to 22 as part of a campaign to raise funds for sports development in the country. Ali, 50, the former world heavyweight boxing champion, also will meet Nelson Mandela, the African National Congress leader. (AFP)

The Italian driver Ivan Capelli, who has failed to finish a Formula One race in two attempts this season, announced Friday that he was leaving the Jordan team. Capelli, 29, crashed during the season's first race in South Africa and failed to qualify for the Brazilian Grand Prix last weekend. (AP)

Marco van Basten, the AC Milan and Dutch international striker, who has postponed two other dates for returning to play after ankle surgery, is now set to return on May 16 against AS Roma, doctors for the Italian Soccer club said Friday. (AFP)



The Houston second baseman Candy Candee grimacing as he put the tag on the Mets' Howard Johnson with the game tied 1-1 in the bottom of the ninth. New York won, 3-2, in the 10th inning.

'93 Spot for '92 Hero Cabrera

The Associated Press

More than five months after he got the biggest hit of the 1992 season, Francisco Cabrera finally found out for sure that he has a spot in the major leagues for 1993.

On Thursday, Cabrera was told by Atlanta that he had beaten out Wally Backman for the last spot on the Atlanta Braves' bench.

Cabrera, however, may have earned his place in October, when his two-out, two-run, pinch-single in the bottom of the ninth inning against Pittsburgh won the National League pennant for the Braves.

Cabrera is hitting .348 with one homer this spring. He will be used as a third catcher behind Greg Olson and Damon Berryhill.

"I didn't panic," said Cabrera, who was out of minor-league options with the Braves and would have had to be placed on waivers or traded if he had not made the club.

"I knew that I'd be playing in the majors some place, but I'm sorry for Wally," he said. "He's a nice guy and did a good job."

Backman was 9 for 45 (200) this spring. The infielder has played 12 years in the majors, and was signed to a minor-league contract.

"We just felt like Frankie was going to give us a little more of what we needed," said the Braves' general manager, John Schuerholz. "With Lonnie Smith not around, he gives us a bit off the bench that can get you back in the game with a swing of the bat."

No First Pitch For First Lady

United Press International

CHICAGO—Hillary Rodham Clinton has canceled plans to throw out the first pitch at the Chicago Cubs' Atlanta Braves' Opening Day game on Monday, the Cubs announced.

Clinton has been staying in Little, Arkansas, since last month, when her father, Hugh Rodham, 81, suffered a stroke.

A club spokesman said that no replacement for Clinton had been named.

Prices Up at Ballparks

For a family of four, a trip to a major-league game this season will cost an average of \$90.87, an increase of 4.8 percent over last season's price, The Associated Press reported.

That is the average sum for four game tickets, two beers, four hot dogs, four soft drinks, two souvenir baseball caps, two programs and parking, according to the sports-business newsletter Team Marketing Report.

The average ticket price increased 1.7 percent this year, to \$9.57, from \$9.41 last year, according to the newsletter. A family of four, if paying for only tickets, would spend \$38.28.

But food and souvenirs will cost fans an average of 12.3 percent more this year, the newsletter said.

SCOREBOARD

BASKETBALL		HOCKEY	
NBA Standings		NHL Standings	
EASTERN CONFERENCE		WALEY CONFERENCE	
Atlantic Division		Patrick Division	
W L Pct GB	W L Pct GB	W L Pct GB	W L Pct GB
N.Y. Knicks 41 29 .585 0	Philadelphia 37 33 .528 4	Pittsburgh 31 21 .596 0	Washington 27 35 .438 4
New Jersey 35 39 .474 10	Charlotte 27 39 .438 10	New Jersey 31 21 .596 0	New York Islanders 27 35 .438 4
Orlando 33 41 .447 12	Washington 27 39 .438 10	Philadelphia 27 35 .438 4	Philadelphia 27 35 .438 4
Atlanta 29 45 .395 16	Atlanta 27 39 .438 10	NY Rangers 27 35 .438 4	Philadelphia 27 35 .438 4
Philadelphia 29 45 .395 16	Washington 27 39 .438 10	Philadelphia 27 35 .438 4	Philadelphia 27 35 .438 4
Washington 29 45 .395 16	Washington 27 39 .438 10	Philadelphia 27 35 .438 4	Philadelphia 27 35 .438 4
Central Division		Adams Division	
Chicago 43 19 .692 0	St. Louis 31 21 .596 0	St. Louis 31 21 .596 0	St. Louis 31 21 .596 0
Cleveland 39 25 .610 6	Chicago 27 25 .519 6	Chicago 27 25 .519 6	Chicago 27 25 .519 6
Atlanta 35 29 .547 10	Atlanta 27 25 .519 6	Atlanta 27 25 .519 6	Atlanta 27 25 .519 6
Indiana 31 33 .485 14	Indiana 27 25 .519 6	Indiana 27 25 .519 6	Indiana 27 25 .519 6
Detroit 29 35 .452 16	Detroit 27 25 .519 6	Detroit 27 25 .519 6	Detroit 27 25 .519 6
Memphis 25 41 .381 22	Memphis 27 25 .519 6	Memphis 27 25 .519 6	Memphis 27 25 .519 6
Western Conference		Campbell Division	
San Antonio 41 19 .683 0	San Antonio 31 21 .596 0	San Antonio 31 21 .596 0	San Antonio 31 21 .596 0
Utah 39 21 .649 2	Utah 27 25 .519 6	Utah 27 25 .519 6	Utah 27 25 .519 6
Denver 37 23 .615 4	Denver 27 25 .519 6	Denver 27 25 .519 6	Denver 27 25 .519 6
Minnesota 33 27 .547 8	Minnesota 27 25 .519 6	Minnesota 27 25 .519 6	Minnesota 27 25 .519 6
Dallas 29 31 .483 12	Dallas 27 25 .519 6	Dallas 27 25 .519 6	Dallas 27 25 .519 6

TENNIS	
W L Pct GB	W L Pct GB
Andre Agassi 41 29 .585 0	Andre Agassi 41 29 .585 0
Andre Agassi 41 29 .585 0	Andre Agassi 41 29 .585 0

PERSONALS

APRIL 4, 1993

HAPPY BIRTHDAY MARIA YAN

ANNOUNCEMENTS

FRIENDSHIPS

Edith Brigitta FAHRENKROG

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DAVE BARRY

The Accordion Crisis

MIAMI — In these days of rising taxes, job insecurity and soaring medical costs, more and more Americans are asking themselves a chilling question: "What happens if, God forbid, I have to get my accordion repaired?"

This is certainly on my mind. I own an accordion. I used to own two of them. I bought them years ago at an auction for \$25, which worked out to \$12.50 per accordion, which struck me as an unbelievable deal.

I like my accordion, although it is not in the best of shape, a fact that has me deeply concerned, in light of an article from the Winona (Minnesota) Daily News. It states that the board of Red Wing/Winona Technical College has voted to eliminate, because of low enrollment, the college's accordion repair program.

I can't believe we would let this happen. We're talking about a vital part of our nation's history, dating back to the early 1800s, when each generation would seek to pass the secrets of accordion repair on to the next.

FATHER: Son, it's time for me to pass along the secrets of accordion repair.

SON: I'm moving to Utah. That's right: Without accordion repair, Westward Expansion might never have occurred. And let's not forget the critical role that an unrepentant accordion played at the Battle of Gettysburg ("Have the accordion player sound the charge!")

"He can't, sir! He took a bullet in the bellows during 'Lady of Spain!' " "Good!"

Knight-Ridder Newspapers

Still Selling Sex: The Cosmo Girl at 71

By Alex Witche

BOCA RATON, Florida — Helen Gurley Brown is a wreck. Her flight from Atlanta is late and now, at 7 P.M., she is just arriving in Boca Raton, Florida, for the start of a full schedule at 7:30 P.M. to promote her new book, "The Late Show: A Semiwild but Practical Survival Plan for Women Over 50" (William Morrow).

Actually, Brown is 71, and none too happy about it, thank you, having made her reputation as "that Cosmo girl," the sexy embodiment of Cosmopolitan magazine, which she has edited since 1965.

But alas, the Cosmo girl's new advertising agency recently promoted her to the Cosmo young woman. Like it or not, the rest of the world is growing up, and books on subjects like menopause are hitting the best-seller lists and staying. But don't even mention the word menopause to Brown because she says that with the high doses of estrogen she takes, and recommends, she never experienced its side effects.

She's much more focused on what women can do to feel younger (sex, cosmetic surgery and more sex), picking up where her last best-selling advice book, "Having It All" (1982), left off. She's on a back-breaking book tour, visiting 10 cities in 14 days. In the Miami area, she has a ready-made audience, and she knows it.

She practically runs off the plane, remarkably energetic. Thin to the point of emaciation (5-foot-4, 100 pounds) she seems swamped by her black suede coat.

It is now 7:10 P.M. and a huge rainstorm has hit. Brown's first stop, Liberties, a bookstore here, is almost an hour from the airport. It is clear that she wants to get there pronto, but the direct approach is not Brown's; she never wants anyone to stop liking her.

She enters 500 popularity contests a day and is desolate if she loses even one. So she breathlessly informs her escort: "I just love manual driving." The car takes off like a shot. In the back seat, Brown wastes no time. "This book took six years to write because I could only work weekends and vacations," she says. "The New York Times Book Review gave me what is considered a good review, but it called me savvy and silly."

Her voice rises to a petulant high pitch. "I don't think I'm silly," she says. Brown is the first to credit rampant insecurity as the motivating force of her life. She coined the term "moussburger" to describe herself, as a plain-looking person of ordinary intelligence who must work relentlessly to improve her appearance and succeed professionally.

In her books she exposes every fear, no matter how personal, and dwells on every tiny detail (tattooing her eyebrows, torturing her thin hair to an always elusive fullness, which endears her to women everywhere while begging the question of how her 77-year-old husband, the movie producer David Brown, can tolerate a level of self-absorption more common to adolescents.



Helen Gurley Brown in 1962 promoting "Sex and the Single Girl"; at bookstore in Florida promoting "The Late Show."



Clady Kapp for The New York Times

ing her thin hair to an always elusive fullness, which endears her to women everywhere while begging the question of how her 77-year-old husband, the movie producer David Brown, can tolerate a level of self-absorption more common to adolescents.

Quite well, apparently. Their marriage has lasted 34 years, and Brown is secure enough to recommend in "The Late Show" that older women take a fresh look at their friends' husbands as potential lovers.

"Husbands are a source of supply," she says calmly. "I never feel guilty about the wife, if she can't keep him at home."

Here's the Helen Gurley Brown her readers know and love. Let's get down to basics. What do older men want in bed? "They really want to be 25, to be admired and encouraged," Brown says. "They want to make you happy, too, as a sign of their success and virility. And you would have to know to take some time."

What do older women want in bed? "I think many women don't want sex at all," she says. "By a certain age they have such a sigh of relief to be done with it."

"My own philosophy is if you're not having sex you're finished. It separates the girls from the old people. When older women do have sex, they're not going for multiple orgasms anymore, but the intimacy, the touch, the experience to be body to body with someone. Which is even truer for me. The intimacy of being with another person keeps you alive, if not young. And it doesn't have to be all the time. If, say, it's been four months, call an old lover, an ex-husband, somebody."

Brown endorses cosmetic surgery as a confidence builder and acknowledges hav-

bergasted when people say I am changing their lives," she says, applying more lipstick. "I'm not being phony. I believe everyone can do what I do. I just worked my guts out since I was 18."

Which is when Brown took the first of 17 secretarial jobs on her long trek out of Green Forest, Arkansas, where she was born the second daughter of schoolteachers.

Her father was killed in an elevator accident when she was 10, her sister was stricken with polio, and her family was so poor during the Depression that when Helen needed root canal, she offered to skip the Novocain if she could get a discount. (She couldn't.)

Brown became an instant celebrity with the 1962 best seller, "Sex and the Single Girl" (B. Geis Associates), which introduced the revolutionary concept that single women had as much right to recreational sex as their male counterparts. She later took over Cosmopolitan and its 27 foreign editions, which she continues to supervise.

Today, she and her husband, who most recently produced the film "A Few Good Men," live in Manhattan on Central Park West, with no children, which is exactly how Brown likes it. (Mr. Brown has a son by a previous marriage, but Brown's distaste for motherhood is legend.)

So why is she still so insecure? She says that no one at Hearst Corp., which publishes Cosmo, will force her to retire, and when she does it will be her own choice. Can't she feel any satisfaction at what she has earned? "Now I'm afraid that it will all go away and I will be an old crone," she says. "After I leave Cosmo I'm curious who will have lunch with me."

PEOPLE

Another Presley Fight For Less Livelight

The price of fame: The daughter of Elvis Presley has won a High Court judgment against two Americans who wrote articles describing her as a "sex menace" in Britain's Sunday Mirror in 1990. Lisa Marie Presley Keough, 25, and her husband David Keough, 28, had sued David Krieff and Tracy Courtney for libel. The articles quoted Krieff as saying Lisa Marie had turned her life into a nightmare by bounding him with demands for sex.

Milos Forman, the Oscar-winning filmmaker, is joining 26 Czech filmmakers in an ambitious project to modernize Fragne's Barrandov studios. Forman made his debut at the studios in the 1960s. They were built by the family of President Vachek Havrel before World War II.

With considerable emotion and fond remembrances of 11 years, the cast of NBC's "Cheers" shot the 274th and final regular episode of the longest-running comedy on American television. A final scene is to be taped in secret later, and the 30-minute episode is to be shown May 20. The producers say President Bill Clinton has expressed interest in making a cameo appearance if it fits into his schedule. Shades of Gerald Ford?

Curtis Chapman walked away with six awards from the Grand Music Association, including one of the year, on the strength of his "Great Adventure" album.

Bill Wyman, the 56-year-old former bass player for the Rolling Stones, is "heavily sporting with rage" over the wedding plans of his son, Stephen, 30, and his former mother-in-law, Patsy Smith, 46, a British newspaper editor, quipping an unidentified Wyman aide. It also quoted the bride-to-be as saying: "I've made no secret of the fact I don't like Bill — or Nimbo Bill as I call him. But Stephen is different." Smith is the mother of 27-year-old Mandy Smith, whom Wyman divorced last year.

INTERNATIONAL CLASSIFIED Appears on Pages 6 & 17

WEATHER

Weather forecast section including maps for Europe, North America, and Asia, with temperature and precipitation data for various cities.

TITLE SEARCH By Tap Osborn

Crossword puzzle grid with clues for words like 'Risky N.Y.S.E. activity', 'Flatware items', 'Bib', 'Word with jack or dash', etc.

BOOKS

JAPANESE BY SPRING By Ishmael Reed. 225 pages. \$20. Atheneum. Reviewed by Kevin Brown

can-American feminists. And, as a postmodernist narrative, "Mumbo Jumbo" has been much admired. "Japanese by Spring," set in Oakland after the earthquake of 1989, amid trade wars, rising anti-Japanese sentiment at home and anti-Americanism in Japan, is a comedy of political correctness and multicultural misperceptions.

is part of "the growing anti-affirmative action industry." Meanwhile, flush from the conquest of Rockefeller Center and Radio City Music Hall, the Japanese are on the march. Realizing that "the smart money was on Japan," Puttubitt answers a newspaper ad, determined to learn Japanese by spring. "If the Asian thing was going to fly, he wanted at least to be in coach. . . . Studying Japanese would put him where the yen was." Puttubitt's timing is uncanny. As swiftly as a sneak attack on Pearl Harbor, the Japanese overrun Jack London College. Puttubitt's Japanese teacher, Dr. Yamato, turns out to be the new puppet president. And during Dr. Yamato's two-month reign of terror, Puttubitt becomes his henchman. Outrageous and provocative, Reed's Dunciad should be read less for conventional plot and fully rounded characters than for sharp caricature.

Kevin Brown, author of the biography "Romare Bearden," wrote this for The Washington Post.

can-American feminists. And, as a postmodernist narrative, "Mumbo Jumbo" has been much admired. "Japanese by Spring," set in Oakland after the earthquake of 1989, amid trade wars, rising anti-Japanese sentiment at home and anti-Americanism in Japan, is a comedy of political correctness and multicultural misperceptions.

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